

# MULTAN ELECTRIC POWER COMPANY

Tel: 061-9210380 Ext: 2148

061/9330244

Fax: 061-9220204

No. 37491-37518 Company Secy

Office of  
The Company Secretary

Dated: 12-12-19.

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 152<sup>nd</sup> BOD MEETING HELD ON 29-11-2019.**

Enclosed please find herewith Minutes of 152<sup>nd</sup> BOD Meeting held on 29-11-2019, (Friday) at 10:00 am in Board's Committee Room, MEPCO HQ, Khanewal Road Multan, 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 152<sup>ND</sup> BOD MEETING, HELD ON 29.11.2019 (FRIDAY) AT 10:00 AM IN**  
**BOARD'S COMMITTEE ROOM, MEPCO HEAD QUARTER KHANEWAL ROAD**

**MULTAN**

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

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

- |    |                     |                         |
|----|---------------------|-------------------------|
| 1. | Mian Ansar Mahmood. | Finance Director        |
| 2. | Mr. Abdul Sattar    | G.M. (Technical)        |
| 3. | Rana Muhammad Ayub  | Chief Engineer (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, Shaikh Fazal Elahi & Muhammad Anwar Sheikh.

**AGENDA ITEM NO. 2**

**To consider and confirm the minutes of the 151<sup>st</sup> BOD Meeting held on 26.10.2019.**

Company Secretary apprised that the Minutes of 151<sup>st</sup> BOD Meeting held on 26.10.2019 dully endorsed by the Chairman BOD were circulated among all Board Members. The Chairman BOD invited the attention of all Members for offering any reservation(s) / comments(s) regarding approval of the minutes.

**Resolution**

**152-BOD-R1** There being no objection from the house, **RESOLVED** that the Minutes of 151<sup>st</sup> BOD Meeting held on 26.10.2019 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 520 No. 200 KVA Distribution Transformers (T/No. 52/20 dt: 23.10.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender inquiry regarding

procurement of 520 No. 200 KVA Transformers was floated in widely circulated newspapers in line with the approval of competent authority under Single Stage. Two Envelopes (Technical and Financial) bidding procedure. The technical bid was opened by the tender opening committee on scheduled date and time i.e 23.10.2019. The Technical bid was sent to Tender Evaluation Committee constituted by CEO MEPCO vide G.M (Tech) O/O No. 49693-97 dated 27.05.2019 for technical evaluation. The committee evaluated the case as Based on the technical evaluation in the report, following firms have been found as responsive bidders.

- a. M/s Sky Power Pvt. Ltd.
- b. M/s Transfo Power Industries
- c. M/s Pak Elektron Ltd.

Subsequently the financial bids were opened by the tender opening committee on scheduled date 01.11.2019. The price quoted by the bidders as per tender price schedule is shown in the following table.

Sr. No	Bidder	Qty (No.)	Unit FCS Price at MEPCO Regional Stores (PKR)
1	M/s Sky Power	520	499400
2	M/s Transfo Power	520	456285
3	M/s Pak Elektron Ltd.	520	421500

The Evaluated Bid Prices of Bidders as per Clause 16.5.1 DDS-84:2007 (Amendment-5) are as under:

Sr. No	Bidder	Description of Item	Unit FCS Price at MEPCO Regional Stores (PKR)	Losses Claimed By Bidders		Capitalization of Losses		Evaluated TOC (PKR)	%age Ranking
				Iron Losses (watts)	Copper Losses (watts)	Iron Losses Rate PKR/watt	Copper Losses Rate PKR/watt		
1	M/s Sky Power	200 kVA Dist: T/Fs	499400	396	1980	299.948	145.299	905871	100.32
2	M/s Transfo Power		456285	380	2290	299.948	145.299	903000	100.00
3	M/s PEL		421500	396	2728	299.948	145.299	936655	103.73

M/s Transfo Power emerged as Lowest Bidder on TOC basis.

He further stated that as per report of Bid Evaluation Committee, 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.

Director Procurement Distribution 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 Board 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 520 No. 200 kVA Transformers @ Rs. 456285/- each would be Rs. 237.268 million (excluding GST) from M/s Transfo Power Industries Lahore. It was also informed that CEO also accorded approval for putting up the agenda item in the Board meeting.

During the course of discussion, the Director Procurement Distribution emphasized that the subject 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 deposit works, development schemes and augmentation cases for which the subjected procurement is required.

Board observed that it took more than one month after the bid were opened in sending the bids to bid evaluation committee to assess the technical and commercial responsiveness of the bids. for evaluation of the bids.

The Chair also observed that the procurements are being made at alarmingly low level of inventory by taking the operations at risk. He observed that unnecessary delay is being observed in finalization of tender after Bid opening. Board directed the management to ensure that bids received are handed over to the Bid Evaluation Committee within 2 working days after the bids opening date

Mr. Zafar Abbas pointed out that some complaints have been received that in DISCOs, GRN of Procured Material is not being maintained properly, the material is not being received in full quantity but GRN of full procured quantity is being issued. The management should make it clear at their end and ensure that no fraudulent practice is being exercised in MEPCO. The house expressed its concern on the matter and directed the management to submit a report in this regards.

Board noted the stock balance position as 44 No. presently available in stock. Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

#### **Resolution**

**152-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 procurement of 520 No. 200 KVA Transformers @ Rs. 456285/- each is hereby accorded from M/s Transfo Power Industries Lahore. The cost of procurement would be amounting to Rs. 237.268 million (excluding GST) against Tender No 52/20 opened on 23.10.2019.

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 codal formalities have been complied with.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) Budget availability certification has been obtained from Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

#### **Direction**

**152-BOD-D1** Board reiterated its earlier direction to the management to ensure that bids must be handed over to the Bid Evaluation Committee within 2 working days after the bid opening date and the agenda Item to the procurement Committee should be presented within 45 days for national and 60 days for international tenders from the opening date.

**152-BOD-D2** Board directed the management to submit a detailed report with the certification that the quantity of material stated on the GRNs issued by the regional stores was received in full in the respective stores during the period starting from July 1<sup>st</sup> 2018 to date.

ii. **Approval procurement of 1000 km ACSR Osprey conductor (T/No.04/20 dated 27.08.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender was floated to purchase the quantity of 1000 km ACSR Osprey Conductor as per approval of competent authority and opened



on 27.08.19. 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 CE (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 Steel Complex Pvt. Ltd has been evaluated as lowest responsive bidder by quoting the rate of Rs. 318500/- per km for the full tendered quantity i.e.1000 km ACSR Osprey Conductor against Tender No. 04/20 dated 27.08.2019."

Director Procurement Distribution 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 total cost for the procurement of 1000 km ACSR Osprey Conductor @ Rs. 318500/- would be amounting to Rs. 318.5 million (excluding GST) from M/s Steel Complex. CEO also accorded approval for putting up agenda item in BOD.

The Board was informed that Procurement Committee has recommended the case for Board's approval. Board considered the stock balance position as 905 km presently available in stock and resolved as follows.

#### **Resolution**

**152-BOD-R3 RESOLVED** that considering the request of General Manager (Technical), the recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for procurement of 1000 km ACSR Osprey Conductor from M/s Steel Complex @ Rs 318500/- per km is hereby accorded. The total cost of procurement would be amounting to Rs. 318.5 million (excluding GST) against Tender No. 04/20 opened on 27.08.2019.

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 codal formalities have been complied with.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) Budget availability certification has been obtained from the Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

iii. **Approval for procurement of 4400 No. HT Steel Structure 34'-8"(T/No. 48/20 dt:10.10.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender was floated to purchase the quantity of 4400 No. HT Steel Structure 34'-8 as per approval of competent authority and opened

on 10.10.19. 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 CE (O&M) Dist; 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 detailed evaluation in the report, it is recommended that consideration may be given to place contract award/ Purchase Order upon the lowest responsive bidder i.e. M/s A.M. Associates & M/s Khalifa Sons Lahore at price Rs. 37900/- per unit without GST."

Director Procurement Distribution 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 requested the Committee to recommend the case to the Board for its approval for the procurement of 4400 No. HT Steel Structure 34'-8" from M/s A.M Associates & M/s Khalifa Sons Lahore @ Rs 37900 per unit for 2200 No as the total cost for procurement of above item would be amounting to Rs.166.760 million (excluding GST) against tender No- 48/20 opened on 10.10.2019. It was also informed that CEO also accorded approval for putting up agenda item in BOD. He apprised the Board that considering recent currency devaluation and rise in LME, the option of retendering would result in higher rate of the material under procurement.


The Members considered the lowest quoted price with reference to the last PO issued by other DISCOs. The Committee also noted that the stock balance is very low as only 9 structures presently available in stock. The Board was informed that Procurement Committee has recommended the case for Board's approval.

The Chair observed that M/s A.M Associates emerged as lowest bidder by offering the rate of Rs. 37900/- for quantity of 2200 No. And the 2<sup>nd</sup> lowest bidder has revised rate and has been recommended for procurement by the Bid Evaluation Committee which is against the sanctity of competitive bidding process. So, he suggested that only the lowest bidder should be awarded the Purchase Order. All other members unanimously agreed with the proposal and resolved as follows:-

#### **Resolution**

**152-BOD-R4 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 2200 No. HT Steel Structure 34'-8" from M/s A.M Associates @ Rs 37900 per unit against Tender No. 48/20 opened on 10.10.2019 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) 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 codal formalities have been complied with.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder. 

- f) Budget availability certification has been obtained from the Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**iv. Approval for procurement of 500 No. LT Steel Structure 30'-8" long. (T/No. 35/20 dt: 04.09.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender was floated to purchase the quantity of 500 No. L.T Steel Structure 30'-8" long as per approval of competent authority and opened on 04.09.19. Two (02) firms purchased the tender documents whereas One (01) firm participated in the tender opening process and quoted their rates on FCS basis without GST along with offered quantities.

As per report of Bid Evaluation Committee convened by CE (O&M) Dist; 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 detail evaluation in the report, it is recommended that consideration may be given to place contract award/ Purchase Order upon the lowest responsive bidder i.e. M/s A.W. Engineering Lahore at price Rs. 24480/- per unit without GST."

Director Procurement Distribution 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 500 No. L.T Steel Structure 30'-8" long would be amounting to Rs. 12.240 million (excluding GST) from M/s A.W Engineering. CEO also accorded approval for putting up agenda item in BOD.

Board noted the stock balance position as low as 02 structures presently available in stock. Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

**Resolution**

**152-BOD-R5 RESOLVED** that considering the request of General Manager (Technical), the recommendations of Tender Evaluation Committee & Procurement Committee of the Board, the approval for procurement of 500 No. LT Steel Structure 30'-8" from M/s A.W Engineering Lahore @ Rs 24480/- per unit is hereby accorded. The total cost for procurement would be amounting to Rs. 12.24 million (excluding GST) against Tender No. 35/20 opened on 04.09.2019.

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 codal formalities have been complied with. 



- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) Budget availability certification has been obtained from the Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**v. Approval for procurement of 17 No. Crane Mounted vehicles (T/ 36/20 dated 10.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender was floated to purchase the quantity of 17 No. Crane Mounted Vehicles as per approval of competent authority and opened on 23.10.2019. Six (06) firms purchased the tender documents whereas Three (03) firms participated in the tender opening process and quoted their rates on FCS basis.

As per report of Bid Evaluation Committee convened by CE (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 Meraj Limited is recommended as lowest responsive bidder for awarding the contract/LOI/PO."

Director Procurement Distribution 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 board 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 17 No. Crane Mounted Vehicles @ Rs. 11965812/- each would be amounting to Rs.203.419 million (excluding GST) from M/s Meraj Limited. CEO also accorded approval for putting up agenda item in BOD.

He informed the board that these crane mounted vehicles are essentially required to field formations for execution of works promptly and efficiently.

Based on management's assertions as stated above, the Committee agreed for proposed procurement subject to vetting of the specifications from PEPCO also. The Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

**Resolution**

**152-BOD-R6 RESOLVED** that considering the request of General Manager (Technical), the recommendations of Tender Evaluation Committee & Procurement Committee of the Board, the approval for the procurement of 17 No. Crane Mounted Crane @ Rs. 11965812/- each is hereby accorded from M/s Meraj Limited subject to vetting of specification from PEPCO. The cost of procurement would be amounting to Rs. 20.419 million (excluding GST) against tender No. 36/20 opened on 23.10.2019. 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 codal formalities have been complied with. 



- e) The subjected cranes fully conform to the safety standards/guidelines.
- f) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- g) Budget availability certification has been obtained from the Finance Director MEPCO.
- h) That there is no conflict of interest of any member/Officer of the MEPCO, and
- i) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**vi. Approval for procurement of 15000 No. Static Three Phase Energy Meters (T/No.38/20 dated 12.09.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender was floated to purchase the quantity of 15000 No. Static Three Phase Energy Meters as per approval of competent authority and opened on 12.09.2019. Five (05) firms purchased the tender documents whereas Three (03) firms participated in the tender opening process and quoted their rates on FCS basis without GST along with offered quantities.

As per report of Bid Evaluation Committee convened by GM/CS Director, 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 detail evaluation, M/s KBK Electronics emerged as lowest evaluated bidder". However, Manager Procurement and procurement department must ensure price reasonability, bonafide requirement of material being procured as well as adherence to PPRA Rules-2004, tender conditions as well as other department rules/SOPs."

Director Procurement Distribution 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 15000 No. Static Three Phase Energy Meters @ Rs. 6800/- would be amounting to Rs.102 million (excluding GST) from M/s KBK Electronics. CEO also accorded approval for putting up this agenda item in Board meeting.

He informed the Board that there is pendency of new general and commercial connections for which the subject procurement is required. Chairman noted with concern that the bids were sent to the bid evaluation committee for bids evaluation after one month of the tender opening date.

Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

**Resolution**

**152-BOD-R7 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 15000 No. Static three phase meters @ Rs. 6800/- each is hereby accorded from M/S KBK Electronics. The total cost for procurement of proposed item would be amounting to Rs. 102 million (excluding GST) against Tender No.38/20 opened on 12.09.2019.

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 codal formalities have been complied with.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) Budget availability certification has been obtained from the Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**vii. Approval for appropriations/ adjustment of amount/quantities of distribution material in the approved procurement plan for the F/Y 2019-20 within the budgetary limit.**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that BOD MEPCO in its 147<sup>th</sup> meeting held on 01.07.2019 accorded approval for the annual procurement plan for the F/Y 2019-20. In this respect it is submitted that the requirement of 25 kVA, 50 KVA Transformers & Single Phase Meters was received from Managers (Op) circles and was based upon as per trend where as the budget approved for less money. Trend of installed T/well connections is as under.

Year	Domestic Connections	Tubewell
2015-2016	249945	942
2016-2017	276106	1419
2017-2018	347182	2979
2018-2019	328622	5991

The above table clearly depicts that there is an increasing trend of demand against each year and definitely it will increase in coming months of F/Y i.e. 2019-20. He further stated that Procurement of 25 KVA, 50 KVA Transformers and Single Phase Meters is against deposit works and hence as per increased trend of 25 & 50 KVA Transformers and new connections, appropriation / adjustment of Amount / Quantities of Distribution Material in the approved Procurement Plan for the F/Y 2019-20 is proposed per procurement committee directions in 19<sup>th</sup> procurement committee held on 18.09.2019 vide direction No.19-PC-3. Proposal for appropriation / adjustment of Amount / Quantities is as under:

Sr. No.	Name of item	Unit	Total Req: of F/Y 2019-20		Procured in F/Y 2019-20 (No.)	Amount in million (Rs.)	Tender under process	Amount in million (Rs.)	Excess / Less Procurement		Excess / Less Procurement Required	
			Qty (No.)	Amount (M)					Qty (No.)	Amount (M)	Qty (No.)	Amount (M)
1	25 kva T/Former	No.	6054	852.21	5400	693.88	1900	234.57	7300	928.45	1246	76.24
2	50 kva T/Former	No.	3704	719.53	4900	870.22	1200	220.20	6100	1090.42	2396	370.89
3	S/P Static Meters	No.	59437 4	921.28	430000	636.61	200000	334.00	630000	970.61	35626	49.33
4	D-Fuse Fittings	No.	39222	211.80	28750	152.38	15000	99.45	43750	251.83	4528	40.02
5	Double Pole P/Form	No.	4905	52.5	2300	21.31	4000	45.99	6300	67.30	1395	14.82
TOTAL: -												551.31
6	100 kva T/Former	No.	1472	428.79	750	193.65	-	-	722	-235.14	-585	-170.28
7	200 kva T/Former	No.	1020	455.06	520	210.60	-	-	500	-244.46	-402	-179.57
8	Osprey Conductor	km	2261	584.83	1000	318.50	-	-	1261	-266.33	-779	-201.46
TOTAL: -												-745.93

Revised Annual Procurement Plan will be as under:-

Description	Approved Plan Amount (M)	Required Amount	Adjusted Amount	Adjusted Plan (Rs. Million)
Distribution material	8346.00	551.31	-551.31	8346.00
Line T&P items	200.00	-	-	200.00

AMI/AMR	1300.00	-	-	1300.00
TOTAL	9846.00			9846.00

The above table shows that approval of proposal for re-appropriation will not exceed the already approved procurement plan by the BOD. CEO also accorded approval for putting up this agenda item in Board meeting. The Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

### **Resolution**

**152-BOD-R8 RESOLVED** that considering the request of General Manager (Technical), the recommendations of Procurement Committee of the Board, the approval for the appropriation / adjustment of amount / quantities of distribution material in the approved Procurement Plan for the F/Y 2019-20 within the budgetary limit is hereby accorded as tabulated below:-

Sr. No.	Name of item	Unit	Total Req: of F/Y 2019-20		Procured in F/Y 2019-20 (No.)	Amount in million (Rs.)	Tender under process	Amount in million (Rs.)	Excess / Less Procurement		Excess / Less Procurement Required	
			Qty (No.)	Amount (M)					Qty (No.)	Amount (M)	Qty (No.)	Amount (M)
1	25 kva T/Former	No.	6054	852.21	5400	693.88	1900	234.57	7300	928.45	1246	76.24
2	50 kva T/Former	No.	3704	719.53	4900	870.22	1200	220.20	6100	1090.42	2396	370.89
3	S/P Static Meters	No.	594374	921.28	430000	636.61	200000	334.00	630000	970.61	35626	49.33
4	D-Fuse Fittings	No.	39222	211.80	28750	152.38	15000	99.45	43750	251.83	4528	40.02
5	Double Pole P/Form	No.	4905	52.5	2300	21.31	4000	45.99	6300	67.30	1395	14.82
TOTAL: -												551.31
6	100 kva T/Former	No.	1472	428.79	750	193.65	-	-	722	-235.14	-585	-170.28
7	200 kva T/Former	No.	1020	455.06	520	210.60	-	-	500	-244.46	-402	-179.57
8	Osprey Conductor	km	2261	584.83	1000	318.50	-	-	1261	-266.33	-779	-201.46
TOTAL: -												-551.31

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

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by 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 1900 No. 25 KVA distribution transformers (T No.54/20 dated 31.10.2019).**

Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender inquiry regarding procurement of 1900 No. 25 KVA Transformers was floated in widely circulated newspapers in line with the approval of competent authority under Single Stage, Two Envelopes (Technical and Financial) bidding procedure. The technical bid was opened by the tender opening committee on scheduled date i.e 30.10.2019. The Technical bid was sent to Tender Evaluation Committee for technical evaluation on 01.11.2019. The committee evaluated the case as "Based on the technical evaluation in the report, following firms have been found as responsive bidders i.e.

- M/s Pak Elektron Ltd.
- M/s Transfo Power Industries"

Subsequently the financial bids were opened by the tender opening committee on scheduled date 08.11.2019. The price quoted by the bidders as per tender price schedule is shown following table.



Sr. No.	Name of Firm	25 kVA Distribution Transformers (Qty: 1900 No.)		Quoted Losses (Watts)	
		T/Rate (Rs.)	Qty Offered (No.)	Iron	Copper
1	M/s Pak Elektron Ltd.	119300.00	1900	98	512
2	M/s Transfo Power Ind:	123456.00	1900	93	490

The Evaluated Bid Prices of Bidders as per Clause 16.5.1 DDS-84:2007 (Amendment-5) are as under:

Sr. No	TOC	Pak Elektron (1900 No.)	Transfo Power (Qty: 1900)
1	K1 x Iron losses	299.948 x 98	299.948 x 93
	=	29394.904	27895.164
2	K2 x Copper losses	145.299x512	145.299x490
	=	74393.088	71196.51
3	Quoted Price	119300.00	123456.00
	TOC (1 + 2 +3) =	223087.99	222547.67

M/s Transfo Power Industries Lahore emerged as Lowest Bidder on TOC basis.

He further stated that as per report of Bid Evaluation Committee, 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.

Director Procurement Distribution 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 1900 No. 25 KVA Transformers @ Rs. 123456/- each would be Rs. 234.566 million (excluding GST) from M/s Transfo Power Industries Lahore. It was also informed that CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the Director Procurement Distribution emphasized that the subject procurement is very beneficial, critical to the operations of the Company. He informed the Board that there is pendency of deposit works, development schemes and augmentation cases for which the subjected procurement is required. Board noted low stock balance position as only 8 No. is presently available in stock.

Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

**Resolution**

**152-BOD-R9 RESOLVED** that considering the request of General Manager (Technical), the recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for procurement of 1900 No. 25 KVA Transformers @ Rs. 123456/- each from M/s Transfo Power Industries Lahore is hereby accorded. The cost of procurement would be amounting to Rs. 234.566 million (excluding GST) against tender No 54/20 opened on 30.10.2019.

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

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- 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. *hw*



- d) All legal and codal formalities have been complied with.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) Budget availability certification has been obtained from the Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**ix. Approval for procurement of 1200 No. 50 KVA distribution transformers (T No.55/20 dated 31.10.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender inquiry regarding procurement of 1900 No. 25 KVA Transformers was floated in widely circulated newspapers in line with the approval of competent authority under Single Stage, Two Envelopes (Technical and Financial) bidding procedure. The technical bid was opened by the tender opening committee on scheduled date i.e 30.10.2019. The Technical bid was sent to Tender Evaluation Committee for technical evaluation on 01.11.2019. The committee evaluated the case as "Based on the technical evaluation in the report, following firms have been found as responsive bidders i.e.

- a. M/s Pak Elektron Ltd.
- b. M/s Transfo Power Industries"

Subsequently the financial bids were opened by the tender opening committee on scheduled date 08.11.2019. The price quoted by the bidders as per tender price schedule is shown following table.

Sr. No.	Name of Firm	25 kVA Distribution Transformers (Qty: 1900 No.)		Quoted Losses (Watts)	
		T/Rate (Rs.)	Qty Offered (No.)	Iron	Copper
1	M/s Pak Elektron Ltd.	119300.00	1900	98	512
2	M/s Transfo Power Ind:	123456.00	1900	93	490

The Evaluated Bid Prices of Bidders as per Clause 16.5.1 DDS-84:2007 (Amendment-5) are as under:-

Sr. No.	TOC	Pak Elektron (1900 No.)	Transfo Power (Qty: 1900)
1	K1 x Iron losses	299.948 x 98	299.948 x 93
	=	29394.904	27895.164
2	K2 x Copper losses	145.299x512	145.299x490
	=	74393.088	71196.51
3	Quoted Price	119300.00	123456.00
	TOC (1 + 2 +3) =	223087.99	222547.67

M/s Transfo Power Industries Lahore emerged as Lowest Bidder on TOC basis.

He further stated that as per report of Bid Evaluation Committee, 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.

Director Procurement Distribution 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 1900 No. 25 KVA Transformers @ Rs. 123456/- each would be Rs. 234.566 million (excluding GST) from M/s Transfo

Power Industries Lahore. It was also informed that CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the Director Procurement Distribution emphasized that the subject procurement is very beneficial, critical to the operations of the Company

Board noted low stock balance position as only 40 No. is presently available in stock. Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

**Resolution**

**152-BOD-R10 RESOLVED** that considering the request of General Manager (Technical), the recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for procurement of 1200 No. 50 KVA Transformers @ Rs. 183500/- each from M/s J.F Industries Lahore is hereby accorded. The cost of procurement would be Rs. 220.2 million (excluding GST) against Tender No 55/20 opened on 31.10.2019.


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 codal formalities have been complied with.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) Budget availability certification has been obtained from the Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**x. Approval for procurement of 200000 No. Static Single Phase Energy meters (T No.37/20 dated 12.09.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender was floated to purchase the quantity of 200000 No. Static Single Phase Energy Meters as per approval of competent authority and opened on 12.09.2019. 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 along with offered quantities, detail as below:

Sr. No.	Name of Firm	Static Single Phase Energy Meter Qty: 200000 No.	
		T/Rate (Rs.)	Off: Qty (No.)
1	M/s Accurate Pvt. Ltd.	1750.00	200000
2	M/s KBK Electronics	1750.00	200000
3	M/s Pak Elektron Ltd.	1769.00	200000

Out of the above participant firms, M/s Accurate Pvt. Ltd. & M/s KBK Electronics emerged as lowest bidder by offering the rate of Rs. 1750/- each for the full tendered quantity respectively. Later on both the lowest firms voluntarily revised their tender rate as Rs. 1670/- each vide their letter dated 15.10.2019. 

He further stated that as per report of Bid Evaluation Committee, 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.

Director Procurement Distribution 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 total cost for the procurement of 200000 No. Static Single Phase Energy Meters @ Rs. 1670/- would be amounting to Rs.334 million (excluding GST) from M/s Accurate & M/s KBK Electronics. It was also informed that CEO also accorded approval for putting up agenda item in BOD.

During the course of discussion, the Director Procurement Distribution emphasized that the subject procurement is very beneficial, critical to the operations of the Company and any delay will cause revenue loss to the Company. He informed the Board that there is pendency of new general and commercial connections for which the subjected procurement is required.

Board noted the stock balance position as only 400 No. is presently available in stock whereas monthly consumption is 79810 Nos. Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

#### **Resolution**

**152-BOD-R11 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 200000 No. Static Single Phase Meters @ Rs 1670/- each is hereby accorded from M/s Accurate and M/s KBK Electronics 100000 No. each. The total cost for procurement of above item would be amounting to Rs. 338 million (excluding GST) against Tender No. 37/20 opened on 12.09.2019.

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 codal formalities have been complied with.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) Budget availability certification has been obtained from the Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xi. Approval for procurement of 4000 No. double pole platform (T/No.43/20 dated 08.10.2019.**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender was floated to purchase



the quantity of 4000 No. Double Pole Platform as per approval of competent authority and opened on 08.10.19. 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 along with offered quantities, detail as below:

Sr. No.	Name of Firm	Double Pole Platform Qty: 4000 No.	
		T/Rate (Rs.)	Off: Qty No.
1	M/s Naeem & Co.	11786.00	4000
2	M/s Bajwa Engg:	12840.00	2000
3	M/s Umair Industries	13333.00	2000
4	M/s Climate Engg:	12890.00	2000
5	M/s Malik & Sons	12890.00	2000

Out of the above participant firms, M/s Naeem & Co. offered the lowest rate of Rs. 11786/- each for the full tendered i.e 4000 No. Double Pole Platform. Later on, the lowest firm i.e M/s Naeem & Co. voluntarily revised their tender rate as Rs. 11498/- each vide letter dated 21.10.2019.

He further stated that as per report of Bid Evaluation Committee, 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.

Director Procurement Distribution 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 total cost for the procurement of 4000 No. Double Pole Platform would be amounting to Rs. 45.992 million (excluding GST) from M/s Naeem & Co. It was also informed that CEO also accorded approval for putting up agenda item in BOD.

Board noted the stock balance position as 170 No. is presently available in stock whereas monthly consumption is 450 Nos. Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

#### **Resolution**

**152-BOD-R12 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 4000 No. Double Pole Platforms from M/s Naeem & Co @ Rs 11498 per unit is hereby accorded. The total cost for procurement of above item would be amounting to Rs. 45.992 million (excluding GST) against tender No. 43/20 opened on 08.10.2019.

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

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- 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.
- All legal and codal formalities have been complied with.
- The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- Budget availability certification has been obtained from the Finance Director MEPCO. 



- g) That there is no conflict of interest of any member/Officer of the MEPCO, and  
 h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xii. Approval for procurement of 15000 No. 11 kv Dropout Cutout (D-Fuse Fittings) (T/No. 47/20 dt: 09.10.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that tender was floated to purchase the quantity of 15000 No. D-Fuse Fittings as per approval of competent authority and opened on 09.10.19. 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 along with offered quantities, detail as below:

Sr. No.	Name of Firm	11 kv Dropout Cutout (D.F Fittings) Tender Qty: 15000 No.	
		T/Rate (Rs.)	Off: Qty: (No.)
1	M/s Malik & Sons	6671.00	7500
2	M/s Creative Engineering	6670.00	11250

Out of the above participant firms, M/s Creative Engineering quoted the lowest rate of Rs. 6670/- per unit for the 75% of tendered quantity i.e 11250 No. Later on both the above participant firms voluntarily revised their tender rate as Rs. 6630/- each vide their letter dated 09.10.2019 & 21.10.2019. He further stated that as per report of Bid Evaluation Committee, 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.

Director Procurement Distribution 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 15000 No. D-Fuse Fittings would be Rs. 99.45 million (excluding GST) from M/s Creative Engineering & M/s Malik & Sons for 11250 No. & 3750 No. each respectively. It was also informed that CEO also accorded approval for putting up agenda item in BOD Meeting.

Board noted the stock balance position as 1900 No. is presently available in stock whereas monthly consumption is 1362 Nos. Board was informed that Procurement Committee has recommended the case for Board's approval for procurement of 11250 No. 11 kv Dropout Cutout from M/s Creative Engg: being the lowest bidder. The Board considered the case in detail and after due deliberation resolved as follows:-

**Resolution**

**152-BOD-R13 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 11250 No. 11 kv Dropout Cutout @ Rs. 6630/- each is hereby accorded from M/s Creative Engg: The total cost of procurement would be amounting to Rs.74.588 million (excluding GST) against tender No 47/20 opened on 09.10.2019.

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 codal formalities have been complied with.
- e) The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- f) Budget availability certification has been obtained from the Finance Director MEPCO.
- g) That there is no conflict of interest of any member/Officer of the MEPCO, and
- h) Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xiii. Approval for procurement of 25000 No. 3/Phase AMR Energy meters (T/No.205 dt. 03.07.2019).**

Before start of formal presentation from Sponsoring Director, the Chair recalled the case has been deferred many times due to non compliance of Board's directions in true letter and spirit and the present agenda item working paper presented was not compliant to the Board's directions as well. The Chair showed displeasure for such state of affairs.

The GM (Technical) stated that the revised financial justification will be presented however; he requested the Board accord its approval to get the matter resolved through Circular Resolution as bid validity of the said procurement is going to be expired on 03.12.2019.

Considering the exigency of work and in the best interest of MEPCO, the House acceded to accord its approval for putting up the agenda item through Circular Resolution under Section-179 of the Companies Act, 2017 ensuring that the agenda working papers are compliant to the Board's directions in totality.

**Resolution**

**152-BOD-R14 RESOLVED** that the subjected item is deferred due to non compliance of the Board's directions relating to this agenda item.

**xiv. Approval for procurement of Mobile Phones for MEPCO Computer Centers (Tender No-263 dt.20.08.2019).**

Before start of formal presentation from Sponsoring Director, the Chair observed that working paper is not compliant to Procurement Committee's directions in true letter and spirit as the Budget approval for proposed procurement has not been obtained from Audit Committee. The Chair showed displeasure for such state of affairs and directed the Company Secretary not to receive the working papers which are not compliant to Board's/Committee's Directions in totality.

**Resolution**

**152-BOD-R15 RESOLVED** that the subjected item is deferred.

**xv. Approval for procurement of 600 No. H.T Steel Structures 34'-8" long through 15% repeat order (T/No. 242 dt: 29.05.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that following purchase orders were placed for the supply 4000 No. H.T Steel Structure @ Rs.33880/- each with the approval of BOD MEPCO in its 147<sup>th</sup> meeting held on 01.07.2019 vide agenda item No. 7-x, detail as below:

Sr No.	Name of Firm	P.O. No. & Date	Rate per unit (Rs.)	Ordered Qty (No.)	Supplied Qty (No.)	Balance Qty (No.)
1	M/s A.M Associates	0605350/27.08.19	33880	2000	2000	-
2	M/s Khalifa Sons	0605333/29.07.19	33880	2000	1000	1000

He intimated that PPRA allows 15% repeat order of original Purchase Order Quantity. Keeping in view the urgent requirement of field formations the approval for procurement of H.T Steel Structure 34'-8" through 15% repeat order from the above mentioned firms may kindly be accorded as the tendering process if adopted may require more time for finalizing the formalities in its natural way & also exorbitant rates may emerge due to inflation and upward trend in all the commodities and raw material. Total cost for the procurement of HT Steel Structure 34'-8" is worked out as under:

Description	Ordered Qty (No.)	Purchase Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (M)	Additional Cost	Total Cost Org+Addl:	Name of the firms Qty
HT Steel Structure 34'-8"	4000	33880.00	600	135.520	20.328	155.848	M/s A.M 300 M/s Khalifa 300

The total cost for the procurement of 600 No. HT Steel Structure 34'-8"@ Rs. 33880/- each through 15% repeat order would be amounting to Rs. 20.328 million (excluding GST) & total cost of P.O would be amounting to Rs. 155.848 million (excluding GST) from M/s A.M Associates & M/s Khalifa Sons. CEO also accorded approval for putting up agenda item in BOD. Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

**Resolution**

**152-BOD-R16 RESOLVED** that 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 600 No. HT Steel Structure 34'-8" @ Rs. 33880/- each is hereby accorded through 15% repeat order. The cost of this procurement would be amounting to Rs 20.328 million (excluding GST) & total cost of P.Os would be amounting to Rs. 155.848 million (excluding GST) against Tender No 242 opened on 29.05.2019.

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

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- 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.
- All legal and codal formalities have been complied with.
- The price of the proposed material has increased in recently opened tenders in MEPCO and other DISCOs.
- The repeat order is in line with the original purchase order issued.
- Budget availability certification has been obtained from the Finance Director MEPCO.
- That there is no conflict of interest of any member/Officer of the MEPCO, and
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xvi. Approval for procurement of 2250 No. 11 kv Dropout Cutout (D-Fuse Fittings) through 15% repeat order (T/No. 206 dt: 02.04.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that following purchase orders were placed for the supply 15000 No. 11 kv Dropout Cutout @ Rs.5300/- each with the approval of BOD MEPCO in its 147<sup>th</sup> meeting held on 01.07.2019 vide agenda item No. 7-ii, detail as below: *gh*



Sr. No.	Name of Firm	P.O. No. & Date	Rate per unit (Rs.)	Ordered Qty (No.)	Supplied Qty (No.)	Balance Qty (No.)
1	M/s Khalifa Sons Pvt. Ltd.	0605332/29.07.19	5300.00	7500	3600	3900
2	M/s A.M Associates	0605349/27.08.19	5300.00	7500	3200	4300

He intimated that PPRA allows 15% repeat order of original Purchase Order Quantity. Keeping in view the urgent requirement of field formations the approval for procurement of 11 kv Dropout Cutout through 15% repeat order from the above mentioned firms may kindly be accorded as the tendering process if adopted may require more time for finalizing the formalities in its natural way & also exorbitant rates may emerge due to inflation and upward trend in all the commodities and raw material. Total cost for the procurement of 11 kv Dropout Cutout is worked out as under:

Description	Ordered Qty (No.)	Purchase Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Addl: Cost	Total Cost Org+Addl ;	Name of the firm / Quantity
11 kv Dropout Cutout	15000	5300.00	2250	79.500	11.925	91.425	M/s Khalifa 1125 M/s A.M 1125

The total cost for the procurement of 2250 No. 11 kv Dropout Cutout @ Rs. 5300/- each through 15% repeat order would be amounting to Rs. 11.925 million (excluding GST) & total cost of P.Os would be amounting to Rs. 91.425 million (excluding GST) from M/s A.M Associates & M/s Khalifa Sons. CEO also accorded approval for putting up agenda item in BOD. The Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

#### **Resolution**

**152-BOD-R17 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 2250 No. 11 kv Dropout Cutout @ Rs. 5300/- each is hereby accorded through 15% repeat order. The cost of this procurement would be amounting to Rs. 11.925 million (excluding GST) & total cost of P.Os would be Rs. 91.425 million (excluding GST) against Tender No 206 opened on 02.04.2019. The resolution is based on the following confirmations by the management of MEPCO.

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- 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.
- All legal and codal formalities have been complied with.
- The price of the proposed material has increased in recently opened tenders in MEPCO and other DISCOs.
- The repeat order is in line with the original purchase order issued.
- Budget availability certification has been obtained from the Finance Director MEPCO.
- That there is no conflict of interest of any member/Officer of the MEPCO, and
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xvii. Approval for procurement of 1500 No. 11 kv Dropout Cutout (D-Fuse Fittings) through 15% repeat order (T/No. 246 dt: 30.05.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that following purchase order was



placed for the supply 10000 No. 11 kv Dropout Cutout @ Rs.5300/- each with the approval of BOD MEPCO in its 147<sup>th</sup> meeting held on 01.07.2019 vide agenda item No. 7-ix, detail as below:

Sr. No.	Name of Firm	P.O. No. & Date	Rate per unit (Rs.)	Ordered Qty (No.)	Supplied Qty (No.)	Balance Qty (No.)
1	M/s Vision Engineering	0605322/08.07.19	5300.00	10000	10000	-

He apprised that PPRA allows 15% repeat order of original Purchase Order Quantity. Keeping in view the urgent requirement of field formations the approval for procurement of 11 kv Dropout Cutout through 15% repeat order from the above mentioned firms may kindly be accorded as the tendering process if adopted may require more time for finalizing the formalities in its natural way & also exorbitant rates may emerge due to inflation and upward trend in all the commodities and raw material. Total cost for the procurement of 11 kv Dropout Cutout is worked out as under:

Description	Ordered Qty (No.)	Purchase Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Additional Cost	Total Cost Org+Addl:
11 kv Dropout Cutout	10000	5300.00	1500	53.00	7.95	60.95

The total cost for the procurement of 1500 No. 11 kv Dropout Cutout @ Rs. 5300/- each through 15% repeat order would be amounting to Rs. 7.95 million (excluding GST) & total cost of P.O would be amounting to Rs. 60.95 million (excluding GST) from M/s Vision Engineering). CEO also accorded approval for putting up agenda item in BOD. The Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

#### **Resolution**

**152-BOD-R18 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 1500 No. 11 kv Dropout Cutout @ Rs. 5300/- each is hereby accorded through 15% repeat order. The cost of this procurement would be amounting to Rs. 7.95 million (excluding GST) & total cost of P.O would be amounting to Rs. 60.95 million (excluding GST) against Tender No 246 opened on 30.05.2019.

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

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- 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.
- All legal and codal formalities have been complied with.
- The price of the proposed material has increased in recently opened tenders in MEPCO and other DISCOs.
- The repeat order is in line with the original purchase order issued.
- Budget availability certification has been obtained from the Finance Director MEPCO.
- That there is no conflict of interest of any member/Officer of the MEPCO, and
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xviii. Approval for procurement of 45 M.Ton G.S Wire 10mm long through 15% repeat order (T/No. 216 dt: 26.04.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that following purchase order was

placed for the supply 300 M.Ton G).S Wire 10mm @ Rs.188000/- per M.Ton with the approval of BOD MEPCO in its 147<sup>th</sup> meeting held on 01.07.2019 vide agenda item No. 7-i, detail as below:

Sr. No.	Name of Firm	P.O. No. & Date	Rate per M.T (Rs.)	Ordered Qty (M.T)	Supplied Qty (No.)	Balance Qty (No.)
1	M/s Mutahir Metal	0605343/30.07.19	188000	300	225	75

He intimated that PPRA allows 15% repeat order of original Purchase Order Quantity. Keeping in view the urgent requirement of field formations the approval for procurement of G.S Wire 10mm through 15% repeat order from the above mentioned firms may kindly be accorded as the tendering process if adopted may require more time for finalizing the formalities in its natural way & also exorbitant rates may emerge due to inflation and upward trend in all the commodities and raw material. Total cost for the procurement of G.S Wire 10mm is worked out as under:

Description	Qty (No.)	Purchase Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Additio nal Cost	Total Cost Org+Addl:
G).S Wire 10mm	300	188000.00	45	56.400	8.460	64.860

The total cost for the procurement of 45 M.T G).S Wire 10mm @ Rs. 188000/- per M.T through 15% repeat order would be amounting to Rs. 8.46 million (excluding GST) & total cost of P.O would be amounting to Rs. 64.86 million (excluding GST) from M/s Mutahir Metal Works. CEO also accorded approval for putting up agenda item in BOD. The Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

#### **Resolution**

**152-BOD-R19 RESOLVED** that considering the request of Director Procurement Distribution, the recommendations of Tender Evaluation Committee and Procurement Committee of the Board, the approval for the procurement of 45 M.Ton G.S Wire 10mm @ Rs. 188000/- per M.Ton is hereby accorded through 15% repeat order. The cost of procurement would be amounting to Rs 8.46 million (excluding GST) & total cost of P.O would be amounting to Rs. 64.86 million (excluding GST) against tender No 216 opened on 26.04.2019.

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

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- 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.
- All legal and codal formalities have been complied with.
- The repeat order is in line with the original purchase order issued.
- Budget availability certification has been obtained from the Finance Director MEPCO.
- That there is no conflict of interest of any member/Officer of the MEPCO, and
- Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xix. Approval for procurement of 1500 No. H.T Spun Hollow Poles 36' long through 15% repeat order (T/No. 210 dt: 25.04.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that following purchase orders were placed for the supply 10000 No. H.T Spun Hollow Poles 36' @ Rs.14900/- each with the

approval of BOD MEPCO in its 147<sup>th</sup> meeting held on 01.07.2019 vide agenda item No. 7-v, detail as below:

Sr. No.	Name of Firm	P.O. No. & Date	Rate per unit (Rs.)	Ordered Qty (No.)	Supplied Qty (No.)	Balance Qty (No.)
1	M/s Mian Brothers	0605336/29.07.19	14900/-	5000	700	4300
2	M/s Gunj Bukhsh	0605338/30.07.19	14900/-	5000	2000	3000

He intimated that PPRA allows 15% repeat order of original Purchase Order Quantity. Keeping in view the urgent requirement of field formations the approval for procurement of H.T Spun Hollow Poles 36' through 15% repeat order from the above mentioned firms may kindly be accorded as the tendering process if adopted may require more time for finalizing the formalities in its natural way & also exorbitant rates may emerge due to inflation and upward trend in all the commodities and raw material. Total cost for the procurement of HT Spun Hollow Poles 36' is worked out as under:

Description	Ordered Qty (No.)	Purchase Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Additio nal Cost	Total Cost Org+Addl:	Name of the firm / quantity
HT Spun Hollow Poles 36'	10000	14900.00	1500	149.000	22.350	171.350	Mian Bros 750 Gunj Bukh 750

The total cost for the procurement of 1500 No. HT Spun Hollow Poles 36' @ Rs. 14900/- each through 15% repeat order would be amounting to Rs. 22.35 million (excluding GST) & total cost of P.Os would be amounting to Rs. 171.35 million (excluding GST) from M/s Mian Brothers & M/s Gunj Bukhsh. CEO also accorded approval for putting up agenda item in BOD. The Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

#### **Resolution**

**152-BOD-R20 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 1500 No. HT Spun Hollow Poles 36' @ Rs. 14900/- each through 15% repeat order for 750 No. each is hereby accorded from M/s Mian Brothers & M/s Gunj Bukhsh. The cost of this procurement would be amounting to Rs. 22.35 million (excluding GST) & total cost of P.Os would be amounting to Rs. 171.35 million (excluding GST) against Tender No 210 opened on 25.04.2019.

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

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- 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.
- All legal and codal formalities have been complied with.
- The repeat order is in line with the original purchase order issued.
- Budget availability certification has been obtained from the Finance Director MEPCO.
- That there is no conflict of interest of any member/Officer of the MEPCO, and



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

**xx. Approval for procurement of 390 No. H.T Spun Hollow Poles 45' long through 15% repeat order (T/No. 212 dt: 25.04.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that following purchase orders were placed for the supply 2600 No. H.T Spun Hollow Poles 45' @ Rs.29990/- each with the approval of BOD MEPCO in its 147<sup>th</sup> meeting held on 01.07.2019 vide agenda item No. 7-iv, detail as below:

Sr. No.	Name of Firm	P.O. No. & Date	Rate per unit (Rs.)	Ordered Qty (No.)	Supplied Qty (No.)	Balance Qty (No.)
1	M/s Mian Brothers	0605339/29.07.19	29990.00	1000	280	720
2	M/s Gunj Bukhsh	0605337/29.07.19	29990.00	800	230	570
3	M/s Rajput Builders	0605341/30.07.19	29990.00	800	700	100

He also mentioned that PPRA allows 15% repeat order of original Purchase Order Quantity. Keeping in view the urgent requirement of field formations the approval for procurement of H.T Spun Hollow Poles 45' through 15% repeat order from the above mentioned firms may kindly be accorded as the tendering process if adopted may require more time for finalizing the formalities in its natural way & also exorbitant rates may emerge due to inflation and upward trend in all the commodities and raw material. Total cost for the procurement of HT Spun Hollow Poles 45' is worked out as under:


Description	Ordered Qty (No.)	Purchase Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Additional Cost	Total Cost Org+Addl:	Name of the firm / quantity
HT Spun Hollow Poles 45'	2600	29990	390	77.974	11.696	89.670	Mian Bros 150 Gunj Bukh 120 Rajput 120

The total cost for the procurement of 390 No. HT Spun Hollow Poles 45' @ Rs. 29990/- each through 15% repeat order would be amounting to Rs. 11.696 million (excluding GST) & total cost of P.Os would be amounting to Rs. 89.67 million (excluding GST) from M/s Mian Brothers, M/s Gunj Bukhsh & M/s Rajput Builders. CEO also accorded approval for putting up agenda item in BOD. The Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

**Resolution**

**152-BOD-R21 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 390 No. HT Spun Hollow Poles 45' @ Rs. 29990/- each is hereby accorded through 15% repeat order from M/s Mian Brothers, M/s Gunj Bukhsh & M/s Rajput Builders for the quantity of 150, 120 & 120 No. each respectively. The cost of procurement would be amounting to Rs 11.696 million (excluding GST) & total cost of P.Os would be amounting to Rs. 89.67 million (excluding GST) against tender No 212 opened on 25.04.2019.

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

- The working paper represents true facts of subjected case.
- Departmental Rules and procedure as laid down for such case have been duly complied with and adopted by the MEPCO.
- 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.
- All legal and codal formalities have been complied with. 



- e. The price of the proposed material has increased in recently opened tenders in MEPCO and other DISCOs.
- f. The repeat order is in line with the original purchase order issued.
- g. Budget availability certification has been obtained from the Finance Director MEPCO.
- h. That there is no conflict of interest of any member/Officer of the MEPCO, and
- i. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xxi. Approval for procurement of 1350 No. L.T Spun Hollow Poles 31' long through 15% repeat order (T/No. 211 dt: 25.04.2019).**

The Board was apprised that the agenda was presented by General Manager (Technical) in 21<sup>st</sup> Procurement Committee meeting held on 18.11.2019. He apprised that following purchase orders were placed for the supply 9000 No. L.T Spun Hollow Poles 31' @ Rs.10900/- each with the approval of BOD MEPCO in its 147<sup>th</sup> meeting held on 01.07.2019 vide agenda item No. 7-iii, detail as below:

Sr. No.	Name of Firm	P.O. No. & Date	Rate per unit (Rs.)	Ordered Qty (No.)	Supplied Qty (No.)	Balance Qty (No.)
1	M/s Mian Brothers	0605335/29.07.19	10900/-	5000	1600	3400
2	M/s Rajput Builders	0605342/30.07.19	10900/-	4000	2200	1800

He intimated that PPRA allows 15% repeat order of original Purchase Order Quantity. Keeping in view the urgent requirement of field formations the approval for procurement of L.T Spun Hollow Poles 31' through 15% repeat order from the above mentioned firms may kindly be accorded as the tendering process if adopted may require more time for finalizing the formalities in its natural way & also exorbitant rates may emerge due to inflation and upward trend in all the commodities and raw material. Total cost for the procurement of LT Spun Hollow Poles 31' is worked out as under:

Description	Ordered Qty (No.)	Purchase Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Additional Cost	Total Cost Org+Addl:	Name of the firm / quantity
LT Spun Hollow Poles 31'	9000	10900.00	1350	98.100	14.715	112.815	Mian Bros 750 Rajput 600

The total cost for the procurement of 1350 No. LT Spun Hollow Poles 31' @ Rs. 10900/- each through 15% repeat order would be amounting to Rs. 14.715 million (excluding GST) & total cost of P.Os would be amounting to Rs. 112.815 million (excluding GST) from M/s Mian Brothers & M/s Rajput Builders. CEO also accorded approval for putting up agenda item in BOD. The Board was informed that Procurement Committee has recommended the case for Board's approval. Board resolved as follows:-

**Resolution**

**152-BOD-R22 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 1350 No. LT Spun Hollow Poles 31' @ Rs. 10900/- each is hereby accorded through 15% repeat order for 750 No. from M/s Mian Brothers & 600 No. from M/s Rajput Builders. The cost of procurement would be amounting to Rs 14.715 million (excluding GST) & total cost of P.Os would be amounting to Rs. 112.815 million (excluding GST) against tender No. 211 opened on 25.04.2019.

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

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

- 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 codal formalities have been complied with.
- e. The price of the proposed material has increased in recently opened tenders in MEPCO and other DISCOs.
- f. The repeat order is inline with the original purchase order issued.
- g. Budget availability certification has been obtained from the Finance Director MEPCO.
- h. That there is no conflict of interest of any member/Officer of the MEPCO, and
- i. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

**xxii. Approval for re-conductoring work of existing 132KV transmission line emanating from 500-KV Grid Station Multan- 132KV Vehari Road Multan- Qasim Pur Multan from LYNX to RAIL / HTLS Conductor.**

Before start of formal discussion upon the presented Agenda Item, the Board inquired that whether the requirement of approval of PC-1 is mandatory for this case or otherwise. The CE (Dev) apprised that PC-1 of said work is required but not approved. However, keeping in view the urgency of work, he requested the Board to consider the case. The Board did not accede to the request without the PC-1 approval from the DWP and desired that all internal controls should be kept in place as good corporate governance practice and proper approvals should be sought before proceeding in this matter.

**Direction**

**152-BOD-D3** Directed the CE (Development) to get the approval of PC-1 from DWP.

**xxiii. Approval for operational constraints in MEPCO Region.**

The Board was apprised that the agenda was presented by Chief Engineer (Dev) PMU in 148<sup>th</sup> BOD meeting held on 18.07.2019. He apprised that General Manager (SO) NPCC NTDC Islamabad vide letter No. 4730-34 dated: 29.03.2019 issued reminder to the Chief Executive Officer MEPCO Multan for completion of the 26-No. operational constraints in MEPCO region before the start of hot weather as these network constraints are hampering the smooth and reliable network operation. The list of new operational constraints as conveyed by General Manager (SO) NPCC NTDC Islamabad in comparison with Superintending Engineer (GSO) MEPCO Multan has been checked and found that following 10-No. conversion of ISO Bays into Line Bays are required to be constructed to remove the operational system constraints.

Sr. No.	Sr. No. as per constraints list of NPCC	Name of Grid Station	Name of Iso Bay to be converted into Line Bay	Tentative Budget Required in PKR Million
1	9	132KV Nawazabad	NZD-101	11
2	11	132KV Khan Bela	KNV-101	11
3	12	132KV Uch Sharif	UCN-101	10
4	14	132KV Khair Pur Sadat	KPS-101	11
5	19	132KV Fazilpur	FZP-101	11
6	21	132KV Shadun Lund	SDL-101	11
7	22	132KV Layyah	LEH-101	11
8	23	132KV Marha Khas	MRK-101	11
9	23	132KV Marha Khas	MRK-102	11
10	26	132KV Basti Malook	BTM-101	10
TOTAL				108

General Manager (Technical) NTDC Lahore vide letter No. 1524-38 dated: 26.09.2019 pointed out 25-No. MEPCO system constraint observed during 2019 and requested CEO MEPCO to resolve the constraints. The said 10-No. conversion of Iso bays into Line bays are included in the said list of system constraint at Sr. No. 9, 10, 11, 13, 18, 20, 21, 22 & 25. BOD in 148<sup>th</sup> meeting held on 18.07.2019 vide agenda item No. 5 (ii) - 148-BOD-D4 directed the Chief Engineer (Dev.) to present a revised working paper indicating the tangible benefits in terms of B/C ratio, units and amount saved after making this investment to justify the investment proposal as required under MEPCO CAPEX investment guidelines. In this regard, the Chief Engineer (P&E) MEPCO vide letter No. 3654 dated: 22.10.2019 conveyed the following benefits to cost ratio of conversion of Iso bay into Line bay.

Description	Calculations
Power Transformer Capacity	2 x 26 MVA
Peak Load assuming 0.9 Power Factor	46.8 MW
Load Factor assumed for mixed consumers	0.5
Hourly based units at Peak Load (Assuming 0.5 Load Factor)	23400 units
Hourly Saved Units Benefit (Assuming Rs. 12 per unit)	280,800 rupees
Cost of Converting 1 No. Iso bay to Line Bay	11 Million rupees
<b>Loss saved in shape of money by MEPCO during abnormal / fault conditions in one hour duration</b>	<b>Rs. 280,800</b>

After conversion of these 10-No. Iso bays into Line bays, MEPCO will receive the following benefits.


- 1) Proper accounting of units import and export
- 2) Accurate and proper calculation of Transmission Line losses.
- 3) Fast and rapid operation under normal and abnormal conditions.
- 4) Considerable saving of revenue by eliminating unnecessary delays in switching operations as well as longer shutdown period in case of isolation of Transmission Lines for maintenance purposes.
- 5) Fast and quick isolation of faulty section during fault occurrence.
- 6) Highly smooth, reliable and safe operation of the system.
- 7) Reduction of fire hazards and potential damages to the costly equipment of the Grid as well as human lives.

The Board inquired that whether the requirement of approval of PC-1 is mandatory for this case or otherwise. The CE (Development) apprised the Board that the said work will be carried out through O&M expense. The Board considered the case in detail and after due deliberation directed / resolved as follows:-

#### **Resolution**

**152-BOD-R23 RESOLVED** that considering the request of Chief Executive (Dev) PMU and recommendations of Procurement Committee of the Board, the administrative approval of the Rs. 108 Million (tentative cost) for execution of above mentioned 10-No. conversion works of ISO Bays into Line Bays to remove the MEPCO operational constraints as per directions of General Manager (SO) NPCC NTDC Islamabad 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 & procedure as laid down in PPRA Rules for such procurement have been duly complied with & adopted by the MEPCO. 



- c. Technical and financial evaluation of the bid submitted for the said 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. There is no conflict of interest of any Member / Officer of the MEPCO.
- f. Budget certification has been obtained from Finance Director MEPCO.
- g. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the Consequences.


**xxiv. Approval for extension of delivery period from 09.07.2015 to 28.08.2015 (50-days) against MEPCO P.O. No. 061247 dated 11.03.2015 for refund of L.D charges levied upon M/s Associated Technologies (Pvt) Ltd., Lahore.**

The Board was apprised that the subjected agenda was referred to full house of Board without any recommendation for collective deliberation/discussion. The agenda was presented by Chief Engineer (Dev) PMU in 20<sup>th</sup> Procurement Committee meeting held on 18.11.2019. He apprised that purchase order No.061247 dated 11.03.2015 was issued to M/s Associated Technologies (Pvt) Ltd, Lahore with the approval of MEPCO BOD for supply of 132KV D/C Tower Type ZM-I along with 3 Meter Leg Extension. The final date of delivery was 150-days from the issuance of LOI i.e 09.07.2015. The firm completed the delivery of material on 14.09.2015 (67-days after the expiry of delivery period). Subsequently, L.D amounting to Rs.9,811,200/- was deducted from the invoices of the firm. Afterwards, the firm submitted a request to worthy Chief Executive Officer for constitution of an independent committee for refund of L.D and extension in the delivery period. Worthy Chief Executive Officer MEPCO constituted an enquiry committee vide office order No.545 dated 25.04.2019.

Project Director GSC MEPCO HQ Multan	Convener
Addl. Manager (Procurement) PMU MEPCO Multan	Member
Manager (Corporate Accounts) MEPCO HQ Multan	Member

Dy: Director (Enquiries) MEPCO HQ Multan vide letter No.16226 dated 29.07.2019 submitted the enquiry report (F/D) to this office duly approved by worthy Chief Executive Officer MEPCO for implementation of the recommendations / conclusion of enquiry report. The enquiry committee recommended refunding the L.D on the basis that the inspection was started on 04.08.2015 after 54-days. The delay of 45-days due to late start of inspection and 05 days due to late issuance of inspection certificate is on the part of MEPCO / NTDC. The recommendations / conclusion of enquiry report is re-produced as under:-

- a) Due to MEPCO /NTDC delay of 50-days as discussed in finding, the scheduled delivery of purchase order No.061247 dated 11.03.2015 may be extended from 09.07.2015 to 28.08.2015. As per PMU Finance, 06% L.D from the invoices against the second lot has been deducted. This deduction of L.D. be revised for 17-days delay in accordance with contract agreement.
- b) The issue of regalanization / repair for material of purchase order No.061247 after issuance of GRN relates to performance of contract / guarantee not is of L.D.

As per the recommendations made by the enquiry committee, LD charges amounting to Rs.3,270,400/- (02%) are to be charged instead of already charged LD amount i.e Rs.9,811,200/- (06%). Detail is tabulated below:- 

LOI No.1430-35 issuing date	09.02.2015
P.O No.061247 issued	Vide dated 11.03.2015
Scheduled Delivery date as per LOI	150-days i.e. up-to 09.07.2015 (from the issuance of LOI)
Material Received	GRN No. 0080 dated 15.07.2015 (ZM-1, 100 Nos.) GRN No. 0090 dated 14.09.2015 (ZM-1, 295 Nos., 03M Ext, 55 Nos.)
Total delay	09.07.2015 to 14.09.2015 (67-days)
Delay on part of NTDC / Inspectors	50-days
Delay on part of contractor	17-days
Firm submitted inspection call	10.06.2015
MEPCO inspector nominated	18.06.2015
NTDC inspector nominated	31.07.2015
Delay in nomination of inspector by NTDC	50-days
Dates of Inspection	04.08.2015 to 15.08.2015
Inspection certificate issued	20.08.2015
Delay in issuance of inspection certificate	05-days
Total delay on part of MEPCO / NTDC	(45 + 05) = 50-days
Extension in delivery date allowed by committee.	28.08.2015 (09.07.2015 to 28.08.2015 = 50-days)
Material delivered	14.09.2015
Late delivery	28.08.2015 to 14.09.2015 ( 17-days )
L.D already charged (06%)	Rs.9,811,200/-
L.D to be charged (02%)	Rs.3,270,400/-
Refundable Amount	Rs.6,540,800/-

The purchase order was issued to M/s Associated Technologies (Pvt) Ltd, Lahore with the approval of MEPCO BOD. MEPCO BOD was requested for approval to extend the delivery period from 09.07.2015 to 28.08.2015 (50-days) against Purchase Order No. 061247 dated 11.03.2015 for refund of L.D charges levied upon M/s Associated Technologies (Pvt) Ltd., Lahore for supply of 132KV D/C Tower Type ZM-I along with 3 M Leg Extensions amounting to Rs. 6,540,800/- in light of the recommendations made by enquiry committee. The date wise detail as desired by procurement committee is as under:-

Inspection certificated issued	Vide letter No.11243-46 dated 20.08.2015
Final GRN (Material Received)	No. 0090 dated 14.09.2015
Firm requested to waive off L.D from payment	Letter dated 14.06.2016
Chief Engineer (Development) PMU constituted Enquiry Committee to investigate the matter of L.D	Dated 23.06.2016
The enquiry committee submitted its report without any clear cut recommendations, instead pointed out discrepancies in the inspection certificates issued by (T/L) Design NTDC.	Dated 30.08.2016
Chief Engineer (Development) took the matter with the office of Chief Engineer (T/L) Design NTDC through a chain of letters for rectification of the discrepancies in the inspection.	Date of Last (9 <sup>th</sup> ) reminder 21.11.2017
Chief Engineer (T/L) Design NTDC stated that there are no discrepancies in the issued Inspection Certificates.	Dated 07.12.2017
The enquiry report along with clarification of Chief Engineer (T/L) Design NTDC was sent to Addl. Finance Director (Project Financing) PMU for calculation of L.D.	Dated 19.02.2018
Addl. Finance Director (Project Financing) PMU replied to provide clear cut recommendations with the approval of	Dated 26.02.2018

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competent Authority.	
Noting was moved for constitution of a new enquiry committee to probe into the case for refund of L.D charges, but the same was not agreed upon by the competent Authority.	Dated 03.12.2018
The firm filed complaint at Prime Minister Delivery Units, MEPCO submitted its reply.	23.01.2019
The representative of the Firm met with CEO MEPCO and worthy CEO MEPCO advised D.G (HR&ADMN) MEPCO to re-constitute a committee to probe into the matter.	23.04.2019
DG (HR&Admn) constituted a new committee	25.04.2019
Enquiry Report received in this office	30.07.2019

The Board discussed the case at length and observed that the case is a closed past transaction and observed unnecessary delays in finalization of issues at right time. The Members unanimously agreed to regret the request and desired that the management should conduct an inquiry to ascertain the delinquents who wilfully delayed the case.

#### Resolution

**152-BOD-R24 RESOLVED** that the case is hereby rejected since they are closed past transactions.

**xxv. Approval for time extension cases and deduction of liquidated damages of various projects.**

Before start of formal presentation by the sponsoring director, the Chair noted that the information provided to the Board was incomplete and did not merit for consideration. All other members agreed with the comments of Honorable Chairman and unanimously resolved to reject the case. However, the Board desired that all liquidated damages claims should be dealt in accordance with the provisions of the purchase orders issued and contracts signed .

#### Resolution

**152-BOD-R25 RESOLVED** that the case is hereby rejected since all these cases are closed past transactions.

#### Direction

**152-BOD-D4 Directed** the CE (development) to present case by case status for Bard's information with regards to project completion date as per contract, actual completion date, amount of LD Charges and details of disciplinary actions taken against MEPCO officials on these lapses.

**xxvi. Approval for procurement of capacitor unit & 11KV Neutral C.Ts Financed under MEPCO's own resources against Tender No. PMU-MEPCO-210-2018 opened on 05.11.2019**

The CE (Dev) apprised the Board that the case is being presented to the Board without being presentation to the Procurement Committee. He requested the house to accord its approval to Condon the bypassing of the process because as per requirement of NPCC/NTDC, 0.95 power factor is mandatory to be maintained for proper functioning of the system for which these capacitors are required to be procured. The CE (Dev) requested the Board to accord its approval to get the matter resolved through Circular Resolution keeping in view the urgency of the case.

Considering the exigency of work and best interest of MEPCO, the House acceded to accord its approval through Circular Resolution under Section-179 of the Companies Act, 2017. However, the Board desired to present the detail report of total installed capacitors (operational or non operational), new requirement while presenting the case to the Board for approval in circulation.

#### Resolution

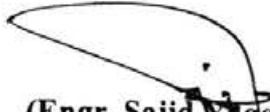
**152-BOD-26 RESOLVED** that the subject item is deferred. *W*



**Direction**

**152-BOD-D5** Directed the CE (development) to present a detailed report with regards to total requirement of capacitors, status of installed capacitors (operational or non operational), whether installed as per requirement or under/over capacity or otherwise and also present a financial justification of the case.

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

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