



MULTAN ELECTRIC POWER COMPANY

Tel: 061-9210380 Ext: 2148
061/9330244

Fax: 061-9220204

No. 8870-89 /Company Secy

Office of
The Company Secretary

Dated: 01-02-2022

1. Mr. Jalil-Ur-Rehman Tarin
209-A, 27th Street,
Off Khayaban-e-Roomi,DHA, Phase-8, Karachi.
2. Mr. Allahyar Khan
Chief Executive Officer,
MEPCO Multan.
3. Commodore Muhammad Siddiq (R),
D-22, Street # 2, Navel Housing Scheme (NHS),
Hilal Road, F11/1, Islamabad.
4. Sardar Naufil Mahmud,
70-B, Sarfraz Rafiqui Road,
Lahore Cantt 54810, Lahore.
5. Mr. Javed Iqbal Khan,
Joint Secretary (Budget), Govt of Pakistan
Finance Division Islamabad.
6. Mr. Ahmed Taimoor Nasir
Joint Secretary (Transmission),
Room No. 220 Ministry of Energy
(Power Division), Islamabad.
7. Mr. Nauman Siddiqui,
59-G Commercial, Phase-I,
DHA, Lahore.
8. Muhammad Shafiq Ur Rahman
214 - Pak Block, Allama Iqbal Town
Lahore.
9. Malik Ahmad Jalal,
12/4 Main Khayaban-e-Muhafiz,
Phase-6, D.H.A, Karachi.
10. Mr. Arif Mansoor,
1st Floor, Central Design Building,
Old Anarkali, Lahore.
11. Muhammad Saleem Shah Bukhari,
Bukhari & Company, 40-41-A,
Ali Arcade, Multan.
12. Mr. Akhtar Hussain Qamar,
Watan Builders, Old Sales Tax Building,
Vehari Chowk, Multan.

Sub:- MINUTES OF 181ST BOD MEETING HELD ON 19-01-2022.

Enclosed please find herewith Minutes of 181st BOD Meeting held on 19-01-2022 (Wednesday) at 10:00 AM in Board's Meeting Room, MEPCO H/Q Khanewal Road Multan for information and necessary action please.

DA/as above


COMPANY SECRETARY MEPCO

Copy to:-

1. Finance Director, MEPCO Ltd Multan.
2. All D.Gs under MEPCO Ltd Multan.
3. All G.Ms under MEPCO Ltd Multan.
4. All Chief Engineers under MEPCO Ltd Multan.
5. The Manager (MM) & Procurement (Distn) MEPCO Multan.
6. The Manager (Transport) MEPCO Ltd Multan.
7. Deputy Manager (Civil) MEPCO Ltd Multan.
8. The Staff Officer to CEO MEPCO H/Q Multan.

MULTAN ELECTRIC POWER COMPANY

**MINUTES OF 181ST BOD MEETING, HELD ON 19.01.2022 (WEDNESDAY) AT 10:00 AM
IN BOARD'S MEETING ROOM, MEPCO HEAD QUARTER KHANEWAL ROAD**

MULTAN.

- | | |
|----------------------------------|-------------------------------|
| 1. Mr. Jalil-Ur-Rehman Tarin | Chairman (Through Video Link) |
| 2. Mr. Allahyar Khan | CEO/Director |
| 3. Sardar Naufil Mahmud | Director (Through Video Link) |
| 4. Mr. Nauman Siddiqui | Director (Through Video Link) |
| 5. Muhammad Shafiq-Ur-Rahman | Director (Through Video Link) |
| 6. Mr. Arif Mansoor | Director (Through Video Link) |
| 7. Mr. Ahmad Taimoor Nasir | Director (Through Video Link) |
| 8. Commodore Muhammad Siddiq (R) | Director |
| 9. Muhammad Saleem Shah Bukhari | Director |
| 10. Mr. Akhtar Hussain Qamar | Director |
| 11. Mr. Sajid Yaqoob | Company Secretary |

Following MEPCO officers attended the Meeting on call.

- | | |
|---------------------------|--------------------------|
| 1. Engr. Raees Abdul Ahad | General Manager (Tech) |
| 2. Engr. Zafar Iqbal Gill | Chief Engineer (Dev) PMU |
| 3. Mian Ansar Mahmood | Finance Director |
| 4. Mr. Liaqat Ali Memon | D.G (HR & Admin) |

Meeting started under the Chairmanship of Mr. Jalil-Ur-Rehman Tarin. The Chair noted the quorum to be in order. Proceedings commenced with recitation of Verses from the Holy **Quran** by Mr. Sajid Yaqoob. 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 Board of Directors granted the leave of absence to Honorable Members of the Board namely Mr. Javed Iqbal Khan and Malik Ahmad Jalal.

AGENDA ITEM NO. 2

To consider and confirm the minutes of the 180th BOD Meeting & Adjourned 180th BOD Meeting held on 08.01.2022 & 09.01.2022 respectively.

Company Secretary apprised that the minutes of the 180th BOD Meeting & Adjourned 180th BOD Meeting held on 08.01.2022 & 09.01.2022 respectively 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.

The Board resolved as follows.

Resolution

- 181-BOD-R1** There being no objection from the house, **RESOLVED** that the Minutes of 180th BOD Meeting & Adjourned 180th BOD Meeting held on 08.01.2022 & 09.01.2022 respectively be and is hereby confirmed as true record of the proceedings of the meeting.

AGENDA ITEM NO. 3

To review the compliance status on the directions issued by BOD during its 179th meeting held on 23.12.2021.

With the permission of Chair, Company Secretary submitted the compliance status received from management. The relevant HoDs apprised the members as follows.

- a) Regarding 178-BOD-D1, DG (HR & Admin) presented the fee structure obtained from PIMS Lahore and Islamabad to conduct the trainings in the fields of Workplace Ethics, Project Management and Contract Management. After detailed discussion, the Board principally accorded approval to get training of one batch on Workplace Ethics from Air University Multan, Project Management from PIMS Lahore and Contract Management from PIMS Islamabad. However, DG (HR & Admin) was directed to present mechanism for selection of officers attending the trainings, monitoring, and pre & post training analysis evaluation to HR & Nomination Committee before proceeding in this matter.

Status (Open)

- b) Regarding 179-BOD-D1, GM (CS) presented the point wise compliance. During the course of discussion, the Board directed as follows:-
1. To implement uniform reading schedule of AMR meters.
 2. To present Circle wise AT&C losses.
 3. To present outcome of show cause notices issued in R.Y Khan and D.G Khan Circles.
 4. To present updated progress of installation of new connections in all categories.
 5. To present progress of recovery from Permanent Disconnected Consumers and deferred amount.
 6. To present proposal for award of incentive to employees on account of recovery from Permanent Disconnected Consumers to PSM Committee.

Status (Open)

- c) Regarding 179-BOD-D2, DG (HR & Admin) informed that a reference has been made to GM (HR) PEPCO for expert opinion, however; the reply is still awaited. The members directed DG (HR & Admin) to follow up the case and present the progress in next meeting.

Status (Open)

- d) Regarding 179-BOD-D3, DG (HR & Admin) informed that legally vetted revised SOP for paid internship program is ready for presentation in forthcoming HR & Nomination Committee meeting. The members noted the compliance.

Status (Closed)

- e) Regarding 179-BOD-D4, Chief Engineer (Development) informed that Power of Attorney has been issued in favor of Barrister Dr. Irfan Ahmad Chattha, Advocate Supreme Court to defend MEPCO in the suit filed by M/s Metropolitan Steel Corporation against MEPCO. Moreover, a high level committee has been constituted to inquire the facts of the case which will submit its recommendations in due course of time. After due deliberation, the Board directed Chief Engineer (Development) to present the progress in next meeting.

Status (Open)

AGENDA ITEM NO. 4

To consider and confirm Circular Resolution No. 13/2021 dated: 30.12.2021.

With the permission of Chair, Company Secretary apprised the members that matter regarding assigning the charge of CEO MEPCO as stop gap arrangement was presented to members on urgent basis. The members passed below detailed resolution.

“**RESOLVED** that Consequent upon approval of the Cabinet vide decision in case No1236/42/2021 dated: 21.12.2021 and Notification of Ministry of Energy (Power Division) dated: 28th December 2021, Mr. Allahyar Khan, Chief Engineer, MEPCO is hereby assigned the charge of the post of CEO

MEPCO as stop gap arrangement purely on temporary basis till the appointment of regular CEO and to exercise the administrative and financial powers entrusted to the post of Chief Executive Officer MEPCO.”

After due consideration, the Board resolved as follows.

Resolution

181-BOD-R2 RESOLVED that considering the request of D.G (HR &Admn) and recommendations of HR Committee, approval of the following in favor of Mr. Allahyar Khan, Chief Engineer is hereby accorded:-

- (i) Assign the charge of the post of Chief Executive Officer MEPCO w.e.f. 28.12.2021 (A.N) as stop gap arrangement purely on temporary basis till the appointment of regular CEO.
- (ii) To exercise the administrative and financial powers entrusted to the post of Chief Executive Officer MEPCO.
- (iii) Appointed as Director BOD MEPCO in place of Mr. Ikram-ul-Haq, Ex-CEO MEPCO against the causal vacancy for remainder of the term under Company’s Act-2017.

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

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


AGENDA ITEM NO. 5

Matters relating to Audit & Finance Committee.

i) Approval for un-audited Quarterly Accounts for FY 2021-22 (1st Qtr).

With the permission of Chair, Finance Director presented un-audited 1st quarter accounts for F.Y 2021-22. He gave a detailed presentation to members encapsulating the Profit and Loss Statement, Purchase and Sales Analysis, Balance Sheet and Cash Flow statement for the period ended 30-09-2021. He presented following the salient features to members as under: -

		<u>Rs. In Million</u>
i.	Sales	116,890
ii.	Cost of Electricity	99,931
iii.	Gross Profit	16,960
iv.	Operating Expenses:	
	-Salaries & others	4,497
	-Post Retirement	2,621
	-Depreciation	1,412
	-Interest	319
		8,849
v.	Operating Profit	8,111
vi.	Other Income (Including Amortization)	2,191
vii.	Net profit	10,302

The Board was further informed that Audit and Finance Committee of Board has also recommended the Board to accord its approval for un-audited Quarterly Accounts for FY 2021-22 for 1st Quarter. The Board considered the presented accounts in detail and after due discussion resolved/directed as follows. 

Resolution

- 181-BOD-R3** **RESOLVED** that considering the request of Finance Director and recommendations of Audit and Finance Committee, approval for Company's Un-Audited Accounts of 1st Quarter for F.Y 2021-22 is hereby accorded. The resolution is based on the following confirmations by the management of MEPCO.
- a) No material information has been withheld and the working papers represent all facts of the case.
 - b) All legal and codal formalities have been complied with.
 - c) There is no conflict of interest of any officer of the MEPCO.
 - d) Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board and Directors, MEPCO.
 - e) Concerned official/officer of MEPCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

Resolution

181-BOD-D1 **Directed** PD (GSC) and PD (Construction) to present the following in next meeting.

1. Progress of capitalization of work in progress.
2. Progress of different works being carried under their directorates.

ii) To review the recommendations of Enquiry Committee constituted in Compliance of Board's direction No. 150-BOD-D3.

With the permission of the Chair, agenda was presented by Additional CE (Civil). He intimated the Board that matter regarding reviewing the recommendations of Enquiry Committee constituted in Compliance of Board's direction No.150-BOD-D3 was presented to Audit & Finance Committee wherein, the Committee has recommended to the Board for its approval for payment of balance amount within original awarded contract after fulfilling all terms and conditions of the Contract with the instructions to approach Central Design Department (CDO) for authentication of revised design. After due consideration, the Board resolved as follows.

Resolution

- 181-BOD-R4** **RESOLVED** that considering the request of Additional CE (Civil), approval of MD PEPCO of Enquiry Committee constituted by MD PEPCO, legal opinion by legal Directorate MEPCO and recommendations of Audit and Finance Committee of Board, approval for payment of balance amount within original awarded contract after fulfilling all terms and conditions of the contract with respect to S.E Office Complex (Triple Storey) Muzaffar Garh is hereby accorded. However, the management is instructed to approach Central Design Department (CDO) for authentication of revised design. The resolution is based on the following confirmations by the management of MEPCO.
- a. No material information has been withheld and the working paper represents all facts of the case.
 - b. All legal and codal formalities have been complied with,
 - c. There is no conflict of interest of any officer of the MEPCO.
 - d. MEPCO has complied with the PPRA Rules and procedures related to such procurement.
 - e. There is no violation of SOP's of MEPCO for environmental & social safeguard.

- f. Certified that the case has been checked by the sponsoring officer and is complete in all respects for consideration of Board of Directors, MEPCO.
- g. Concerned official/officer of MEPCO's management would be liable for any omission/misstatement of the facts and figures in the working papers.

AGENDA ITEM NO. 6

Matters relating to Procurement & Disposal Committee.

i) Approval for acquisition of Land for proposed 132KV Grid Station Bahawal Pur-II in the Name of MEPCO under own resources STG Head.

With the permission of the Chair, agenda was presented by Chief Engineer (Dev) PMU. He intimated the Board that matter regarding acquisition of Land for proposed 132KV Grid Station Bahawal Pur-II in the Name of MEPCO under own resources STG Head was presented to Procurement & Disposal Committee wherein, the Committee has recommended to the Board for its approval of purchase of land in Chak Sahlan measuring land 40-Kanal amounting to Rs. 57,500,000/- (Cost of land + 15% Land Acquisition Charges) for construction of proposed 132 KV Grid Station Bahawal Pur-II, Tehsil & District Bahawal Pur. Payment in the Government of Punjab Treasury will be made after the approval of BOD.

After due consideration, the Board resolved as follows.

Resolution

181-BOD-R5 **RESOLVED** that considering the request of Chief Engineer (Dev) PMU and recommendations of Procurement & Disposal Committee of Board, approval of purchase of land in Chak Sahlan measuring land 40-Kanal amounting to Rs. 57,500,000/- (Cost of land + 15% Land Acquisition Charges) for construction of proposed 132 KV Grid Station Bahawal Pur-II, Tehsil & District Bahawal Pur is hereby accorded.

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

- a. No material information has been withheld and the working paper represents all facts of the case.
- b. All legal and codal formalities have been complied with.
- c. That there is no conflict of interest of any member/Officer of the MEPCO.
- d. MEPCO has complied with the PPRA rules and procedures related to such procurement.
- e. Technical and financial evaluation of the case have been carried out correctly on the basis of true facts.
- f. There is no violation of SOPs of MEPCO for environmental and social safeguard.
- g. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- h. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

ii) Approval for acquisition of state Land for proposed 132KV Grid Station Khanewal-II in the name of MEPCO own resources under STG Head.

With the permission of the Chair, agenda was presented by Chief Engineer (Dev) PMU. He informed the Board that matter regarding acquisition of state Land for proposed 132KV Grid Station Khanewal-II in the name of MEPCO own resources under STG Head was presented to Procurement & Disposal Committee of the Board wherein, the Committee has recommended to the Board for its administrative approval of purchase of state land in Chak No. 167/10-R measuring land 60-Kanal 3 Marla amounting to Rs. 43,420,782/- (Cost of land + 10% Land Acquisition Charges) for

construction of proposed 132 KV Grid Station Khanewal-II, Tehsil & District Khanewal. Payment in the Government of Punjab Treasury will be made after the approval of BOD.

After due consideration, the Board resolved as follows.

Resolution

181-BOD-R6 **RESOLVED** that considering the request of Chief Engineer (Dev) PMU and recommendations of Procurement & Disposal Committee of Board, approval of purchase of state land in Chak No. 167/10-R measuring land 60-Kanal 3 Marla amounting to Rs. 43,420,782/- (Cost of land + 10% Land Acquisition Charges) for construction of proposed 132 KV Grid Station Khanewal-II, Tehsil & District Khanewal is hereby accorded.

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

- a. No material information has been withheld and the working paper represents all facts of the case.
- b. All legal and codal formalities have been complied with.
- c. That there is no conflict of interest of any member/Officer of the MEPCO.
- d. MEPCO has complied with the PPRA rules and procedures related to such procurement.
- e. Technical and financial evaluation of the case has been carried out correctly on the basis of true facts.
- f. There is no violation of SOPs of MEPCO for environmental and social safeguard.
- g. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- h. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

iii) **Approval for acquisition of Land for construction of new proposed 132KV Grid Station Rawan Road situated in Mouza Bahu Wala Tehsil Sadar District Multan in the name of MEPCO under STG Head.**

With the permission of the Chair, agenda was presented by Chief Engineer (Dev) PMU. He informed the Board that matter regarding acquisition of Land for construction of new proposed 132KV Grid Station Rawan Road situated in Mouza Bahu Wala Tehsil Sadar District Multan in the name of MEPCO under STG Head was presented to Procurement & Disposal Committee wherein, the Committee has recommended to the Board for its approval of purchase of land situated in Mouza Bahu Wala Tehsil Sadar District Multan measuring 48-Kanal amounting to Rs. 48,300,000/- for proposed 132 KV Grid Station Rawan Road Mouza Bahu Wala Tehsil Sadar District Multan under STG head. Payment in the Government of Punjab Treasury will be made after the approval of BOD.

During the course of discussion, CE (Development) apprised that Finance Director has not provided financial concurrence for agenda items relating to procurement/acquisition of land, however, the same can be made available through re-appropriation of budget. He requested the members to accord approval for re-appropriation of budget amounting to Rs. 293 M required for acquisition of land. After due consideration, the members principally agreed for re-appropriation of budget as requested, however, the case should be presented to Audit and Finance Committee in order to formalize the issue.

The Board resolved as follows.

Resolution

181-BOD-R7 **RESOLVED** that considering the request of Chief Engineer (Dev) PMU and recommendations of Procurement & Disposal Committee of Board, approval of

purchase of land situated in Mouza Bahu Wala Tehsil Sadar District Multan measuring 48-Kanal amounting to Rs. 48,300,000/- for proposed 132 KV Grid Station Rawan Road Mouza Bahu Wala Tehsil Sadar District Multan under STG head is hereby accorded.

Further RESOLVED that approval for re-appropriation of budget as requested by management amounting to Rs. 293 M (approx) required for acquisition of land is hereby accorded. However, the matter should be presented to the approval of Audit & Finance Committee of Board for formalization.

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

- a. No material information has been withheld and the working paper represents all facts of the case.
- b. All legal and codal formalities have been complied with.
- c. That there is no conflict of interest of any member/Officer of the MEPCO.
- d. MEPCO has complied with the PPRA rules and procedures related to such procurement.
- e. Technical and financial evaluation of the case been carried out correctly on the basis of true facts.
- f. Previously, there is no issue on supplier side from which this procurement is being made.
- g. There is no violation of SOPs of MEPCO for environmental and social safeguard.
- h. The procurement will be in accordance with the approved financial budget and procurement plan.
- i. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- j. The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- k. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

iv) Approval for procurement of 11 KV Capacitor Units 200 KVAR under MEPCO own resources against Tender No-10/2021 (NCB) opened on 04.11.2021.

With the permission of the Chair, agenda was presented by Chief Engineer (Development) PMU. He informed that matter regarding procurement of 11 KV Capacitor Units 200 KVAR under MEPCO own resources against Tender No-10/2021 (NCB) opened on 04.11.2021 was presented to Procurement & Disposal Committee of the Board wherein, the Committee has recommended to the Board for approval to issue L.O.I / Purchase order for supply of 800-No. 11 KV Capacitor Units 200 KVAR amounting to Rs. 60,628,800/- (excluding GST) in favor of M/s Siddique Sons Engineering Lahore.

After due deliberation, the Board resolved as follows.

Resolution

181-BOD-R8 **RESOLVED** that considering the request of Chief Engineer (Development) PMU and recommendations of Bid Evaluation Committee and Procurement & Disposal Committee, approval to issue L.O.I / Purchase order for supply of 800-No. 11 KV Capacitor Units 200 KVAR amounting to Rs. 60,628,800/- (excluding GST) in favor of M/s Siddique Sons Engineering Lahore is hereby accorded.

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

- a. No material information has been withheld and the working paper represents all facts of the case.
 - b. All legal and codal formalities have been complied with.
 - c. That there is no conflict of interest of any member/Officer of the MEPCO.
 - d. MEPCO has complied with the PPRA rules and procedures related to such procurement.
 - e. Technical and financial evaluation of the case has been carried out correctly on the basis of true facts.
 - f. There is no violation of SOPs of MEPCO for environmental and social safeguard.
 - g. The procurement will be in accordance with the approved financial budget and procurement plan.
 - h. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
 - i. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.
- v) Approval for procurement of 6000 No. (1500x4) H.T P.C Spun Hollow Poles 36' long on Ex-Works basis (T/No. 108/22 dt: 25.11.2021), bid validity upto 24.01.2022.
 - vi) Approval for procurement of 6000 No. (1500x4) L.T P.C Spun Hollow Poles 31' long on Ex-Works basis (T/No. 109/22 dt: 25.11.2021) bid validity upto 24.01.2022.
 - vii) Approval for procurement of 54000 NO. (18000x3) 11 KV Steel Cross Arms With Braces (T/NO. 112/22 dt: 25.11.2021) bid validity upto 24.01.2022.
 - viii) Approval for procurement of 29400 NO. (9800x3) 11 KV Dropout Cutout (T/NO. 111/22 dt: 25.11.2021) bid validity upto 24.01.2022.
 - ix) Approval for procurement of Static Single Phase Energy Meters in lots 80,000 (LOT-I) 80,000 (LOT-II) (T/No. 110/22 dt: 25.11.2021).
 - x) Approval for procurement of 14000 No. Steel Cross Arms For D-Fuse Mounting (T/No. 139/22 Dt: 01.12.2021) Bid Validity upto 30.01.2022.
 - xi) Approval for procurement of 17000 No. Stay Rods Complete (T/No. 130/22 Dt: 01.12.2021) Bid Validity upto 30.01.2022.

With the permission of Chair, the subjected agendas were presented by GM (Technical). He apprised the Board that the subject cited tenders were floated by the Procurement Distribution Directorate to meet with the annual demand of distribution material, as envisaged in Procurement Plan of MEPCO for the financial year 2021-22 duly approved by Board under "Single Stage-Single Envelope" method of procurement. GM (Technical) stated that the financial quotes received in all these tenders were substantially higher than the purchase orders issued in MEPCO and other DISCOs during the last procurement cycle. However, the rates are either lower or at par with other DISCOs who have issued purchase orders recently.

While taking part into the briefing the Chairman Procurement & Disposal Committee added that, the Procurement & Disposal Committee was given an understanding by the management that prices are substantially higher mainly due to the deterioration of Pak rupees against US dollar, increasing trend in the LMEs of various metals and freight charges. However, the Procurement & Disposal Committee directed the management to provide cost analysis of the material under procurement.

While submitting the compliance of direction of Procurement & Disposal Committee, GM (Technical) presented the cost analysis of different items. In the light of rates obtained from local market and internal rate analysis of different material, Distribution Procurement Directorate is convinced that the material is being procured at reasonable price, he stated. Moreover, Distribution Procurement Directorate has calculated the rationalized price(s) of respective items/material based

on respective LMEs and US Dollar Exchange rate. Further the estimated increase in labor, overhead and freight charges were calculated with reference to the general and specific inflation prevailing on the respective dates.

The members did not agree with presented cost analysis and were of considered opinion that such analysis is useless as Company has no in-house expertise to undertake component wise cost analysis of such items. Company lacks a coordinated and consolidated department which can address such issues. After detailed discussion, the members were of unanimous view that management should propose a structure of technical services directorate who shall be responsible for all technical matters associated to procurement of all kinds of material.

Upon query of Chair, GM (Technical) asserted that shortage of material would make it difficult for management to accomplish the challenging targets assigned by the Board in the Annual Budget for the FY 2021-22. Further, the market indicators (e.g. LME, gasoline prices, freight charges and US dollar exchange rate etc.) are still on increasing side, if we go for retendering with similar market dynamics, there is a risk that the prices would be even higher as the MEPCO's request to extend the bid validity has already been rejected by a number of bidders. The CEO seconded the stance of GM (Technical) by commenting that the procurement of distribution material is crucial for continuity and smooth functioning of the business operations, hence BOD is requested to accord approval for proposed procurements.

The GM (Technical) extended the briefing by stating that validity of most of the bids shall be expiring in near future. MEPCO is experiencing extreme shortage of material in the field, resulting in the backlog of pending connections and delay in execution of HT and LT proposals.

The Chairman requested the Board members to render their opinion on the foregoing. The matter was discussed by the Board at length. The BOD unanimously resolved to accord approval for all the procurements tabled before the Board.

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

After detailed discussion, the members were of unanimous view that MEPCO management should be allowed to move ahead with procurement because we do not want our business as well as general public to suffer. However, the tangible efforts need to be done to revamp the procurement and stock management processes in MEPCO to ensure that MEPCO will be in a better position during the next procurement cycle. Moreover, the management should maintain stringent criteria to ensure quality of procured material and strict compliance to tenders specifications should be observed during testing of material.

The Board resolved as follows.

Resolution

181-BOD-R9 **RESOLVED** that considering the request of G.M (Tech) and recommendations of Tender Evaluation Committee and Procurement & Disposal Committee, approval for procurement of 6000 No. (1500x4) H.T PC Spun Hollow Poles 36' long @ Rs. 23390/- per pole amounting to Rs. 140.34 million (excluding GST) against Tender No. 108/22 opened on 25.11.2021 from following firms is hereby accorded.

Name of the Bidder	Offered Qty	Lot
M/s ZHN Contracting	1500	I
M/s Nimbus Engineering	1500	II
M/s Vision Engineering	1500	III
M/s Amin Brothers Engineer	1500	IV

Resolution

181-BOD-R10 **RESOLVED** that considering the request of General Manager (Tech) and recommendations of Tender Evaluation Committee and Procurement & Disposal

Committee, approval for procurement of 6000 No. (1500x4) L.T PC Spun Hollow Poles 31' long @ Rs. 18395/- per pole amounting to Rs. 110.37 million (excluding GST) against Tender No. 109/22 opened on 25.11.2021 from following firms is hereby accorded.

Name of the Bidder	Offered Qty	Lot
M/s ZHN Contracting	1500	I
M/s Precast Building Systems	1500	II
M/s Bliss Engineering	1500	III
M/s Amin Brothers Engineer	1500	IV

Resolution

181-BOD-R11 **RESOLVED** that considering the request of General Manager (Tech) and recommendations of Tender Evaluation Committee and Procurement & Disposal Committee of Board, approval for the procurement of 54000 No. (18000x3) 11 KV Steel Cross Arms @ Rs. 8449/- each from M/s Umair Industries (Lot-I), M/s Malik & Sons (Lot-II) & M/s Naeem & Co. (Lot-III), amounting to Rs. 456.246 million (excluding GST) against Tender No. 112/22 opened on 25.11.2021 is hereby accorded.

Resolution

181-BOD-R12 **RESOLVED** that considering the request of General Manager (Tech) and recommendations of Tender Evaluation Committee and Procurement & Disposal Committee of Board, approval for the procurement of 29400 No. (9800x3) 11 KV Dropout Cutouts @ Rs. 6990/- each from M/s Umair Industries (Lot-I), M/s Climate Engineering (Lot-II) & M/s Vision Engineering (Lot-III), amounting to Rs. 205.506 million (excluding GST) against Tender No. 111/22 opened on 25.11.2021 is hereby accorded.

Resolution

181-BOD-R13 **RESOLVED** that considering the request of General Manager (Tech) and recommendations of Tender Evaluation Committee and Procurement & Disposal Committee of Board, approval for the procurement of 160,000 No. Static Single Phase Meters @ Rs. 1850/- each without GST from M/s Pak Electron Ltd for Lot-I and M/s Intelligent Metering System for Lot-II, amounting to Rs. 296 million (excluding GST) against Tender No. 110/22 opened on 25.11.2021 is hereby accorded.

Resolution

181-BOD-R14 **RESOLVED** that considering the request of General Manager (Tech) and recommendations of Tender Evaluation Committee and Procurement & Disposal Committee of Board, approval for the procurement of 14000 No. Steel Cross Arms for D-Fuse Mounting @ Rs. 4945/- each from M/s Vision Engineering Lahore, amounting to Rs. 69.23 million (excluding GST) against Tender No. 139/22 opened on 01.12.2021 is hereby accorded.

Resolution

181-BOD-R15 **RESOLVED** that considering the request of General Manager (Tech) and recommendations of Tender Evaluation Committee and Procurement & Disposal Committee of Board, approval for the procurement of 17000 No. Stay Rods Complete @ Rs. 4498.50 each from M/s Usman Hi-Tech Lahore, amounting to Rs. 76.475 million (excluding GST) against Tender No. 130/22 opened on 01.12.2021 is hereby accorded.

The resolutions are based on the following confirmations by the management of MEPCO. 

- a. No material information has been withheld and the working paper represents all facts of the case.
- b. All legal and codal formalities have been complied with.
- c. That there is no conflict of interest of any member/Officer of the MEPCO.
- d. MEPCO has complied with the PPRA rules and procedures related to such procurement.
- e. Technical and financial evaluation of the bid submitted for the said procurement have been carried out correctly on the basis of true facts of each bid submitted by the bidders.
- f. Previously, there is no issue on supplier side from which this procurement is being made.
- g. There is no violation of SOPs of MEPCO for environmental and social safeguard.
- h. The procurement will be in accordance with the approved financial budget and procurement plan.
- i. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- j. The recommendations of Bid Evaluation Committee are unconditional and no grievances have been received from any Bidder.
- k. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

xii) To consider amendment in clause regarding issuance of 15% repeat order as requested by all Pakistan Cable and Conductors Manufacturers Association.

With the permission of the Chair, agenda was presented by General Manager (Tech). He intimated the Board that matter regarding amendment in clause regarding issuance of 15% repeat order as requested by all Pakistan Cable and Conductors Manufacturers Association was presented to Procurement & Disposal Committee wherein, the Committee has recommended to the Board for approval to allow amendment in repeat order clause of tenders of conductors and cables as under:


“MEPCO reserves the right to increase / decrease 15% of the quantity at the time of issuance of LOI /purchase order”.

After due consideration, the Board resolved as follows.

Resolution

181-BOD-R16 RESOLVED that considering the request of General Manager (Tech) and recommendations of Procurement & Disposal Committee of Board, Chief Executive Officer MEPCO is authorized to increase / decrease 15% quantity of distribution material at the time of issuance of LOI / Purchase Order keeping in view Company’s requirement, market trend and supplier’s track record.

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

- a. No material information has been withheld and the working paper represents all facts of the case.
- b. All legal and codal formalities have been complied with.
- c. That there is no conflict of interest of any member/Officer of the MEPCO.
- d. The procurement will be in accordance with the approved financial budget and procurement plan.
- e. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO. 

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

AGENDA ITEM NO. 7

Any other point with the permission of the Chair.

a) Approval for MEPCO License for renewal of Distribution License No-06/DL/2002.

With the permission of the Chair, agenda was presented by DG (MIRAD). He intimated the Board that MEPCO distribution license No. 06/DL/2002 is going to expire on dated 24.04.2022 after the completion of 20 years time period. This license is required renewal as per NEPRA licensing (application, modification, extension and cancellation) procedure Regulations, 2021 part IV, (Regulation-13). MEPCO has to obtain also supply license, however NEPRA Licensing (Application, Modification, Extension & Cancellation) Procedure Regulations, 2021 part-II, Regulation-3, Sub Regulation-2.

The supply license of MEPCO shall be applied in 2023. However, for renewal of distribution license, MEPCO as licensee shall have to submit an application to NEPRA 90 days before expiry of the license for extension or renewal of the term of the license (i.e. up to 24.01.2022) after fulfilling the requirements mentioned in the Rule 13 of NEPRA Licensing (application, modification, extension and cancellation) procedure Regulations, 2021.

After due consideration, the Board resolved as follows.

Resolution

181-BOD-R17 RESOLVED that considering the request of Director General MIRAD, approval for filing request to NEPRA for renewal / extension of MEPCO Distribution License is hereby accorded.

FURTHER RESOLVED that Chief Executive Officer MEPCO is hereby authorized to file and sign such request, pay applicable fee, engage professional firm for proper filing of license renewal / extension, provide information / documents as required by the Authority and also to incur necessary expenses to get the license renewed / extended and to take other necessary steps to complete this process.

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

- a. No material information has been withheld and the working paper represents all facts of the case.
- b. All legal and codal formalities have been complied with.
- c. That there is no conflict of interest of any member/Officer of the MEPCO.
- d. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- e. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

b) Briefing on MEPCO Sports.

With the permission of Chair, Vice President MEPCO Sports informed the Board that a representation from Hockey Players has been received wherein it has been requested to include Hockey in MEPCO Sports Disciplines. He briefed the members that Board had approved pool of 110 sports personnel from 9 sports disciplines and rest of players were directed to join their field duties. Hockey players were not included amongst pool of 110 players.

Upon query of one of members, it was informed that previously hockey team was consisted of 28 personnel including players and coaches. The trials were conducted by MEPCO Sports Committee and resultantly hockey team has been reduced to 21 players which include 7 international and 13 national players. He also briefed the achievement of MEPCO Hockey Players at national and

international level. Total MEPCO strength of players will be 131 personnel if hockey is also included. He requested the members to consider the request of Hockey players being national game. After detailed discussion, the members principally agreed that Hockey should be included in MEPCO Sports list. However, it was observed that the average age of Hockey Players seems to be above standard. The members were of considered view that provisional approval for inclusion of Hockey comprising upon 21 personnel in MEPCO Sports list is accorded. However; MEPCO Sports Committee should review 21 Hockey Players based on their age, usefulness and performance and report should be submitted along with quarterly progress of MEPCO Sports which is due in March, 2022.

After detailed discussion, members resolved as follows.

Resolution


181-BOD-R18 RESOLVED that provisional approval for inclusion of Hockey in MEPCO Sports Discipline is hereby accorded till 31st March, 2022.

FURTHER RESOLVED that Chief Executive Officer may consider to spare 21 Hockey players from duty till 31st March, 2022 with the instructions to present the justification of retaining hockey players based on age, usefulness and performance of each individual during the review of quarterly progress of MEPCO Sports.

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

- a. No material information has been withheld and the working paper represents all facts of the case.
- b. All legal and codal formalities have been complied with.
- c. That there is no conflict of interest of any member/Officer of the MEPCO.
- d. Certified that the case has been checked by the sponsoring officer and is complete in all respect for consideration of Board of Directors, MEPCO.
- e. Any misstatement of the facts and figures in the working paper would make MEPCO management liable for the consequences.

The meeting ended with thanks to and from the chair.



(Engr. Sajid Yaqoob)
Company Secretary MEPCO