

## MULTAN ELECTRIC POWER COMPANY

Tel: 061-9210380 Ext: 2084  
061/9239803

Fax: 061-9220204

No. 2543-66 / Company Secy

Office of  
The Chief Executive

Dated: 18/9/15

1. Mr. Ahsan Rashid,  
Hafeez Ghee & General Mills (Pvt) Ltd  
Near By-Pass Chowk, Bahawalpur Road Multan
2. Engr: Fazalullah Durrani  
Chief Executive Officer,  
MEPCO Multan.
3. Mr. Sohail Akbar Shah,  
Additional Secretary (Power), Ministry of Water & Power,  
Islamabad
4. Khawaja Muhammad Azam,  
15-16 Ground Floor Muhammad Arcade,  
LMQ Road, Multan.
5. Mr. Muneer Ahmed,  
Rahim Bux Group of Industries,  
61-Sadique Centre, Abdali Road, Multan
6. Muhammad Anees Khawaja,  
PO Box No. 28 Mehr Manzil  
Lohari Gate Multan.
7. Mian Zahid Pervaiz Marral,  
14- Altaf Town Tariq Road Multan.
8. Mr. Rehman Naseem,  
House No.59/3 Abdali Road, Multan.
9. Mr. Rajan Sultan Pirzada,  
House No.257 Tipu Shaheed Road,  
Modle Town-A Bahawalpur.
10. Mr. Khalid Masood Khan,  
10-Green Lane, Zakaria Town  
Bosan Road, Multan.

Sub:-: **MINUTES OF 105<sup>th</sup> BOD MEETING .**

Enclosed please find herewith Minutes of 105<sup>th</sup> BOD Meeting held on **05.09.2015 (Saturday)** in the office of MEPCO Conference Room, Khanewal Road Multan, for information and necessary action please.

DA/as above

  
COMPANY SECRETARY

Copy to

1. Finance Director, MEPCO Ltd Multan.
2. HR/Admn: Director MEPCO Ltd Multan
3. General Manager/ Tech: Dir: MEPCO Ltd Multan
4. General Manager (Op) Distu: MEPCO H/Q Multan.
5. General Manager (CS) MEPCO Ltd Multan
6. Chief Engineer (T&G) MEPCO Ltd Multan.
7. Chief Engineer (Development) H/Q Multan
8. Chief Engineer (Planning) H/Q Multan.
9. DG (IS) MEPCO HQ Multan.
10. Manager (Security) / Transport MEPCO Multan.
11. Manager Internal Audit/Legal , MEPCO HQ Multan.

For information & necessary action please

# **MULTAN ELECTRIC POWER COMPANY**

**MINUTES OF 105<sup>TH</sup> MEPCO B.O.D. MEETING, HELD ON 05.09.2015 (SATURDAY)  
AT 02:00 PM IN MEPCO CONFERENCE ROOM KHANEWAL ROAD MULTAN**

Present;

- |                             |                   |
|-----------------------------|-------------------|
| 1. Mr. Ahsan Rasheed        | Chairman          |
| 2. Mr. Muzaffar Ali Abbasi  | CEO/Director      |
| 3. Khawaja Muhammad Azam    | Director          |
| 4. Mr. Rajan Sultan Pirzada | Director          |
| 5. Mr. Zahid Pervez Marral  | Director          |
| 6. Muhammad Anees Khawaja   | Director          |
| 7. Mr. Muneer Ahmed         | Director          |
| 8. Engr. Sajid Yaqoob       | Company Secretary |

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

- Mr. Naeemullah, HR&Admn Director
- Mian Ansar Mehmood, Finance Director
- Muhammad Akram, CE (P&E)
- Muhammad Aslam Tahir, CE (Development)
- Mr. Naimatullah Qureshi, Manager (MM)
- Malik Ameer Abbas Samtia, Manager (Legal & Labor)

The Meeting started with recitation from the **Holy Quran** and gracious name of **Almighty Allah**. The Company Secretary intimated the Board about the "Leave of Absence" of Mr. Rehman Naseem & Mr. Khalid Masood Khan, Honorable Members of MEPCO Board. Board, after due consideration, granted the leave of absence to the Honorable Members.

## **AGENDA ITEM NO.1**

**To consider and confirm Minutes of previous Board Meeting.**

The Company Secretary presented the Minutes of 104<sup>th</sup> Board Meeting, the Board confirmed the Minutes of 104<sup>th</sup> Board Meeting.

## **AGENDA ITEM NO.2**

**Compliance of the instructions issued by the MEPCO Board in the previous BOD Meeting.**

- a) The Board was apprised that Business Recorder published on 08.08.2015 and Daily Dawn on 10.08.2015 have indicated that Pakistan's power sector remains of serious concern to the International Monetary Fund (IMF) as Government efforts to improve its performance indicated that receivables of Distribution Companies under the control of the Ministry of Water and Power, Government of Pakistan, Islamabad have increased by about 21pc to about Rs.590 (B) at the end of July-2015 from Rs.490 (B) of the same period last year. However, MEPCO one of the largest Distribution Company showed improvement in bringing down the receivables. MEPCO has reduced its receivables from Rs.30.50 (B) to Rs.27 (B) in one year which indicates that recovery has improved. MEPCO continues to grow amongst Distribution Companies in terms of increased recovery. The said performance has been acknowledged not only at national level but also at international forums. This said efficiency and appreciation of MEPCO's performance clearly indicates the commitment, vision and leadership of Chief Executive Officer MEPCO which turned around the Company and made MEPCO one of the proven top DISCOs in terms of recovery and reduction in line losses. The above achievement would have not possible without team work, dedication on the part of management and work force and day and night hard work on the part of MEPCO employees under the guidance of Mr. Muzaffar Ali Abbasi, CEO MEPCO. The Board appreciated the commendable achievement of the Company and congratulated the CEO and the top Management of MEPCO for this achievement and expressed its hope that

*W*

Company will continue to improve its performance in future as well. The Members also showed their concern upon Ministry of Water & Power Office Order Dated September 2, 2015 vide which Mr. Muzaffar Ali Abbasi, CEO MEPCO has been appointed as CEO SEPCO with additional charge of CEO MEPCO as the replacement of CEO MEPCO at this stage can badly hamper above mentioned remarkable progress and the continuation, completion of the ongoing projects worth Rs. 9 Billion. The remarkable improvement achieved in recovery of receivables, reduction in Line Losses and removal of system constraints during the past year may not be sustainable. Keeping in view the complexity of the issues at MEPCO as compared to SEPCO and MEPCO being the largest distribution company of Pakistan dealing with about 5 Million customers and revenue of about Rs. 12 Billion (on average), the Board resolved to request the Ministry to reconsider its decision as continuity of the strategies and efforts being exerted by Mr. Muzaffar Ali Abbasi under the guidance of the Board is more beneficial for the Company to achieve sustainable improvement in future.

b) Mr. Saleem Arif, Deputy Chief of Party USAID PDP briefed the Board about the scope, progress and benefits of the performance improvement projects brought in by PDP USAID since its engagement with MEPCO. He briefed the Board that the program is going to close on September 16, 2015. PDP is handing over all the performance improvement projects to MEPCO. He showed his expression of appreciation and thanked the MEPCO senior management and the Board for their collaboration and cooperation. The Board appreciated the support extended to MEPCO by USAID PDP for making considerable investment to improve its performance by introducing transformational projects in all functional areas. The Board desired that the management should take forward all the good work done by PDP and work out plans for sustainability of the interventions and performance improvement projects brought in by USAID PDP and formed the below detailed committee to look after the progress for operation, maintenance, development and expansion to the whole company, where required.

- |                           |          |
|---------------------------|----------|
| 1. Muhammad Anees Khawaja | Chairman |
| 2. Mr. Rehman Naseem      | Member   |
| 3. Mr. Muneer Ahmed       | Member   |
| 4. Khawaja Muhammad Azam  | Member   |

The Board also requested the USAID PDP to consider the engagement of MEPCO for the upcoming projects/program so that the Company can extend the benefits of the performance improvement projects brought in by USAID PDP in future as well.

- c) Regarding Board's instructions in previous meeting, the Board was apprised that a letter was written to M/s Colony Textile Mills for availment of incentive policy regarding payment of outstanding dues, but they have not given any response to that letter till today. The Director Legal apprised the Board that Writ Petition is ready in all respects for filing before Honorable Lahore High Court Bench. He further apprised that CEO MEPCO has desired that prior to the filing of the Writ Petition further necessary advice shall be solicited from the Honorable BOD. The Board deliberated upon the issue and after due discussion and consideration desired that a last attempt be made to settle the issue out of court and directed the Director Legal to wait for further instructions to proceed further.
- d) The Board was informed that Mr. Khalid Masood Khan, Honorable Member of the Board was authorized to renegotiate the rate of the land adjacent to WAPDA Hospital. The Board after due deliberation instructed the CEO to constitute a Committee to complete the process of purchase of land after taking in to account all the departmental/ legal formalities and progress thus achieved was instructed to be presented to the Board in next Meeting.
- e) Regarding the matter for appointment of Finance Director MEPCO, the HR & Admin Director apprised the Board that GM (HR) PEPCO was requested to intimate the qualification of Mr. Imtiaz Ahmed Jigri. In response, GM (HR) PEPCO vide his officer letter No. GM (HR)/HRD/2657-61 Dated 17-08-2015 has clarified that the qualification of Mr. Imtiaz Ahmed Jigri is Master in Commerce (M.Com) Major in Finance and MBA Finance. The copy of the letter was presented to the Members for their consideration. After interviewing the new incumbent i.e.

Mr. Imtiaz Ahmed Jigri , due deliberation upon the clarification received from GM (HR) PEPCO and clause 14(2) of Public Sector Companies (Corporate Governance) Rules, 2013, the Board resolved that charge of Finance Director be handed over to Mr. Imtiaz Ahmed Jigri, however, meanwhile a clarification be obtained from SECP that in the light of GM (HR) PEPCO's clarification, whether the qualification of Mr. Imtiaz Ahmed Jigri meets with the Clause 14(2) of the Public Sector Companies (Corporate Governance) Rules, 2013 or otherwise. Further decision on this issue will be taken in the light of clarification received from SECP.

- f) Muhammad Anees Khawaja, Honorable Member of the Board was authorized to have the presentation from M/s Innexive Private for installation of smart meters on Shah Rukn-e-Alam Feeder and was instructed to give his recommendations to the Board in next Meeting.

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

#### **Approval for Circular Resolution No.15/2015 dated 31.07.2015.**

The Board was apprised that the matter for purchase of 2.82 MW Hydropower from Pakpattan Hydro Power Project (PHPP) Pakpattan on urgent basis was presented to the Members of the Board. After considering the matter, the Board passed the below detailed Circular Resolution.

**“Resolved that approval be and is hereby accorded for the estimated cost amounting to Rs. 80.548 M for construction of 11 kv double circuit 14.8 KM line for purchase of 2.82 MW from Pakpattan Hydro Power Plant (PHPP) to 11 KV Bus Bar at 132/11 KV Pakpattan Grid Station on deposit work basis”.**

#### **Decision**

The Board resolved that the above Circular Resolution be and is hereby confirmed.

### **AGENDA ITEM NO.4**

#### **To confirm Resolution No.16/2015 dated 11.08.2015.**

The Board was apprised that the matter for the posting of Finance Director MEPCO on current charge basis was presented to the Members of the Board. After considering the matter, the Board passed the below detailed Circular Resolution.

**“Resolved that approval be and is hereby accorded for the recommendations of Audit Committee to endorse the following decision of the Board vide agenda Item No. 15 in 89<sup>th</sup> Board Meeting.**

**“Board accorded approval for posting of Mian Ansar Mahmood, Manager (C/A) MEPCO as Finance Director MEPCO on current charge basis without prejudice to the recruitment / selection of regular Finance Director in contract. Board further instructed to expedite the process for fresh advertisement for the recruitment of Finance Director for the Company”**

**Further resolved that HR & Admn Director be directed to clarify from PEPCO regarding actual qualification of Mr. Imtiaz Ahmed Jigri”.**

#### **Decision**

The Board resolved that the above Circular Resolution be and is hereby confirmed.

### **AGENDA ITEM NO.5**

#### **Approval for Circular Resolution No.17/2015 dated 28.08.2015.**

The Board was informed that the matter for the purchase of 45000 Nos Single Phase Static Meters, on urgent basis was presented to the Members of the Board. After considering the matter, the Board passed the below detailed Circular Resolution

**“Resolved that approval be and is hereby accorded for the purchase of 45000 Nos Single Phase Static Meters worth Rs. 70.965 Million & total cost of P.O Come out to Rs. 544.650 Million (Excluding 17 % GST) through 15% Variation/Repeat Order against Tender No. 161 dated 20 .05. 2015”.**

#### **Decision**

The Board resolved that the above Circular Resolution be and is hereby confirmed.

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

#### **Approval for Circular Resolution No.18/2015 dated 31.08.2015**

The Board was intimated that the matter for the award of contract for tender for ADB-MEPCO-Tranche-iv-Package No.2 (Civil Works) for construction of civil works of Power Transformer

W

Bay,11-kv Grid Stations, on urgent basis was presented to the Members of the Board. After considering the matter, the Board passed the below detailed Circular Resolution

**“Resolved that** approval be and is hereby accorded for award of work in favor of M/s. I.H. Malik & Co. (Pvt) Ltd. Multan for all 04- Lots amounting to Rs. 137,436,552/- (Excluding Provisional Sum) of tender for ADB-MEPCO-Tranche-iv --- Package No.2 – (civil works) for construction of civil works of Power Transformer Bay, 11-kv Switch Room and Control Room extension etc at various 132-kv Grid Stations”.

**Decision**

The Board resolved that the above Circular Resolution be and is hereby confirmed.

**AGENDA ITEM NO.7**

**Approval of the Audit plan for F.Y. 2015-16.**

The Board was apprised that the Manager Internal Audit submitted the Audit Plan for the F.Y 2015-16. He briefed the Committee that there are 101 formations for financial audit in MEPCO against which 06 No. audit parties are working. Mandays to audit these formations (as per list attached) are proposed as under.

Total Mandays Required	1610
Audit Parties working	06
Mandays per Audit Party	1610/06=268 working days

**Calculation of working days**

Total Days	365
Gazatted Holidays	12
Monthly Holidays	96
<b>Total Holidays</b>	<b>108</b>
<b>Less Holidays</b>	<b>(-)108</b>
<b>Working Days available</b>	<b>257</b>

However the mandays will be calculated according to work load of the auditee formation. The financial audit team will cover the following audit areas in formation where applicable:-

- a. General and administrative.
- b. Cash and treasury management.
- c. Inventory and material management.
- d. Fixed asset management.
- e. Revenue and receivable.
- f. Purchase and payable.
- g. Human Resources.
- h. Taxation
- i. Planning budgeting and forecasting
- j. Accounting and Financial Reporting.
- k. Tariff and regulatory matters.

Audit of Finance Director for the period 2013-14 is pending on their request due to implementation of ERP, which will be conducted in due course of time. There are 35 Nos. Divisions /R.Os in MEPCO, 15 Nos. LAPs are working for audit of consumer accounts. Due to shortage of LAPs the revenue audit is in arrear. The position of revenue audit is as under:-

PERIOD	NO. OF R. OS PENDING	IN PROCESS
07/2012 to 12/2012	10	03
01/2013 to 06/2013	12	04
07/2013 to 12/2013	20	04
01/2014 to 06/2014	24	11

During the year 2015-16 arrear audit as well as audit for the period 07/2014 to 06/2015 would be conducted. Board was further informed that Audit committee has also recommended the case for Board's approval. The Board was requested to accord its approval for Audit Plan for the F.Y 2015-16

**Decision**

The Board accorded its approval for Audit Plan for the F.Y 2015-16.



## **AGENDA ITEM NO.8**

### **Approval for write off case of Rs. 219078/- involved in Draft Para No. 450/2013 based on IR Para No. 1 regarding theft of electrical material.**

The Board was informed that in Draft Para No. 450/2013 based on IR Para No. 1 on account of S.E Operation MEPCO Circle M/Garh for the period 2012-13, the Audit Party of D.G WAPDA Audit LHR pointed out the loss of 1.845 Million on account of theft of material. As per standing instruction of PEPCO, an enquiry committee comprising upon the following Officers was constituted vide C.E MEPCO Multan O/O No. 43/4880-87/M(I.A)/MEPCO/AM(Audit) dt: 6.01.14.

- |                                     |          |
|-------------------------------------|----------|
| i- Manager (M&S) MEPCO              | Convener |
| ii- Dy: Manager (CA)                | Member   |
| iii- Executive Engineer (OP) M/Garh | Member   |

Recommendations of enquiry committee are as under:-

- Actual Value of 13 Nos distribution Transformers of various capacities works out to Rs.634396/- as against the value of Rs. 1.845 (M) pointed out Govt. Audit in the aforesaid Draft para.
- Against T/Former at serial No. 9,10 & 11 Mr. Ghayour Abbas LS-I and Malik Sagheer LS-I are responsible for the stealing of these distribution T/Formers valuing to Rs. 50130/- & 26880/- respectively as also confirmed by concerned XEN/S.E.
- Value of T/Formers viz Rs. 219078/- at serial Nos 2,3 & 8 need to be written off as their FIRs have been closed by police due to non traceability of concerned culprits/thieves.
- To avoid stealing of T/Formers the concerned LS/SDOs must ensure regular patrolling of sites in future to save the company from such like losses.

The Board was further informed that Audit Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for write off an amount of Rs. 219078/-

### **Decision**

The Board accorded its approval for write off an amount of Rs. 219078/- involved in Draft Para No. 450/2013 based on IR Para No. 1 regarding theft of electrical material.

## **AGENDA ITEM NO.9**

### **Approval for write off case of Rs. 0.198 Million involved in Draft Para No. 24/2014-15 based on I/R Para No. 01 on account of S.E (op) R.Y.Khan regarding theft of material.**

The Board was apprised that in Draft Para No. 24/2014-15 based on I/R Para No. 01 on account of S.E (Op) MEPCO Circle R.Y.Khan for the period 2014-15, the Audit Party of Director General Audit Lahore pointed out the loss of Rs. 0.73 Million on account of theft of material. As per standing instructions of PEPCO an enquiry committee comprising upon the following Officers was constituted vide Manager (IA) MEPCO Multan office order No. 296-302//M(IA)/MEPCO/AM(Audit) dated 19.01.2015.

- |  |             |
|--|-------------|
| i. SE (Op) MEPCO Circle R. Y.Khan  | (Convener). |
| ii. Dy: Manager (Corporate Accounts)<br>O/O Finance Director MEPCO Multan. | (Member)    |
| iii. Dy: Manager (M&S)<br>MEPCO Ltd. Multan.                               | (Member)    |

Recommendations of Enquiry Committee are as under:-

"No MEPCO Officer/ Officials have been found responsible because all precautionary measures adopted by the Field formations".

Therefore, it is recommended that actual loss of Rs. 0.198/- (Rs. 116246- + Rs. 81628/-) as FIR No. 41167 & 45342 closed by the Police as per book value as against loss of Rs. 0.73 Million as pointed out by Govt. Audit May please be got written off with the approval of competent authority".

The recommendations of the enquiry committee have already been approved by the CEO MEPCO Multan. Board was further apprised that Audit Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for write off an amount of

W

Rs. 0.198 Million involved in Draft Para No. 24/2014-15 based on I/R Para No. 01 on account of S.E (Op) R.Y.Khan regarding theft of material.

**Decision**

The Board accorded its approval for write off an amount of Rs. 0.198 Million involved in Draft Para No. 24/2014-15 based on I/R Para No. 01 on account of S.E (Op) R.Y.Khan regarding theft of material.

**AGENDA ITEM NO.10**

**Approval for Sale of Scrap Material AAC / ACSR Conductor against Tender No 151 dated 28.05.2015.**

The Board was informed that tender No 151 dated 28 .05. 2015 was floated for Sale of Scrap Material (AAC /ACSR Conductor) lying in Regional Store Multan after obtaining approval from Competent Authority. The following bidders have participated in the tender Opening process and quoted their per unit rate of scrap material without GST. Detail is as under:-

Name of Bidder	LOT NO	1 AAC	2 AAC	3 ACSR	4 ACSR	5 ACSR	6 ACSR	7 ACSR
	Qty	30000 kg	30000 kg	50000 kg	50000 kg	50000 kg	50000 kg	50000 kg
M/S Faisal Impex		0	0	92	0	0	0	0
M/S Horizon Alloys		0	0	0	93/-	0	93	0
M/S Mutahir Metals		0	0	0	0	91	0	0
M/S Sun Metals		0	113	0	0	0	0	92.50
M/S Eagle Cables		112	112	0	0	0	0	0

Due to Cutting with signature on bidding documents by the bidders the following two options were put to Tender Technical / Commercial Evaluation Committee for early disposal of Scrap Material, as the tender offered rates are on higher side than reserve price

- i. To Scrap the present tender and float another tender for publication due to Cutting with signature on tender.
- ii. Call the all participant bidders for discussion to clarify their position.

The Aluminum rate in LME is on decreasing side since 2014 which clearly shows in Price Graph.

Date	US\$ Rate Per M. Ton	Decreasing rate % Since 2014
09/ 2014	2082	33.80 %
05/ 2015	1719	
07/ 2015	1630	
08/ 2015	1556	

The Reserve Price of ACSR & AAC Conductor fixed by the Price Assessment Committee is as under:-

	Reserve Price per kg	Tender Offered Price per kg
AAC Scrap	100/- kg	112/-
ACSR Scrap	80/- kg	92/-

The tender participants were contacted telephonically for clarification and as a result all the bidders have revised their tender offered rates as a gesture of good will.

	Reserve Price per kg fixed by the committee	Tender Offered Price per kg with cutting	Revised Tender Rates by the bidder per kg	% Increased with Reserve Price
AAC Scrap	100/- kg	112/-	121	17.35 %
ACSR Scrap	80/- kg	92/-	101	20.79 %

In case of fresh tender possibility of less than present tender rate cannot be ruled out besides stuck of heavy amount of Scrap material due to downward LME trend. Moreover a huge space of Stores has been blocked due to lying Scrap material since long. BOD MEPCO in its 81st Meeting held on 05.06.2012 vide Item-C has authorized Chief Executive MEPCO to exercise full power for

declaration & disposal of Surplus / Un Serviceable scrap material. However it was instructed that subsequent to exercising such powers, Board may be intimated.

The matter was put up before the Board only for the information of the Board.

**AGENDA ITEM NO.11**

**Approval for procurement of 5250 No. 11 kv Steel Cross Arms through 15% repeat / additional order (T/No.75/09.12.14).**

The Board was apprised that a purchase order bearing No. 0604284 dated 11.05.2015 was placed upon M/s Process Dynamics Lahore for the supply of 35000 No. 11 kv Steel Cross Arms @ Rs. 3180/- each with the approval of BOD MEPCO in its 100th meeting held on 28.01.2015. Keeping in view the urgency of 11 kv Steel Cross Arms to cater to the requirements of field formations especially ensuing hot summer season, it is recommended that 15% additional / variation orders for procurement of 5250 No. 11 kv Steel Cross Arms may be placed to overcome any untoward situation in near future. Moreover tendering process if adopted may require sufficient time which may hinder the early completion of works/projects. To save time and funds, it is felt essential in the interest of MEPCO to invoke clause B-Special Conditions-iv i.e. "MEPCO reserves the right to increase/decrease 15% of the quantity within delivery period or within six months from the issuance of purchase order whichever is later". Total cost for the procurement of 11 kv Steel Cross Arms is worked out as under:

Description	Ordered Qty (No.)	Purch: Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Additional Cost	Total Cost Org+Addl:
11 kv Steel Cross Arms	35000	3180.00	5250	111.300	16.695	127.995

Total cost for the procurement of 5250 No. 11 kv Steel Cross Arms @ Rs.3180/- each through 15% additional / repeat order worth Rs. 16.695 million (excluding 17% GST) and total value of P.O (original + additional) worked out to Rs. 127.995 million (excluding 17% GST). The Board was further intimated that Procurement Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for procurement of 5250 No. 11 kv Steel Cross Arms @ Rs. 3180/- each through 15% repeat / additional order amounting to Rs. 16.695 million (excluding 17% GST) & total value of P.O (original + additional) worked out to Rs. 127.995 million (excluding 17% GST) as proposed.

**Decision**

The Board accorded its approval for procurement of 5250 No. 11 kv Steel Cross Arms @ Rs. 3180/- each through 15% repeat / additional order amounting to Rs. 16.695 million (excluding 17% GST) & total value of P.O (original + additional) worked out to Rs. 127.995 million (excluding 17% GST) as proposed.

**AGENDA ITEM NO.12**

**Approval for procurement of 5250 No. 11 kv Steel Cross Arms through 15% repeat / additional order (T/No.99/13.01.15)**

The Board was apprised that following purchase orders were placed upon the firms for the supply of 35000 No. 11 kv Steel Cross Arms @ Rs. 3180/- each with the approval of BOD MEPCO in its 100th meeting held on 28.01.2015.

Sr #	Name of Firm	P.O. No. & Date	Rate (Rs.)	Ordered Qty
1	M/s Shahbaz Engg:	0604217/06.02.15 (Lot-III)	3180.00	7000
2	M/s Shahbaz Engg:	0604218/06.02.15 (Lot-IV)	3180.00	7000
3	M/s Blacksteel Intl:	0604219/09.02.15 (Lot-V)	3180.00	7000
4	M/s K.S Traders	0604220/11.02.15 (Lot-I)	3180.00	7000
5	M/s Climate Engg:	0604224/20.02.15 (Lot-II)	3180.00	7000
Total: -				35000

Keeping in view the urgency of 11 kv Steel Cross Arms to cater to the requirements of field formations especially ensuing hot summer season, it is recommended that 15% additional / variation orders for procurement of 5250 No. 11 kv Steel Cross Arms may be placed to overcome any untoward situation in near future. Moreover tendering process if adopted may require sufficient time

*W*



which may hinder the early completion of works/projects. To save time and funds, it is felt essential in the interest of MEPCO to invoke clause B-Special Conditions-iv i.e. "MEPCO reserves the right to increase/decrease 15% of the quantity within delivery period or within six months from the issuance of purchase order whichever is later". Total cost for the procurement of 11 kv Steel Cross Arms is worked out as under:

Description	Ordered Qty (No.)	Purch: Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Additional Cost	Total Cost Org+Addl:
11 kv Steel Cross Arms	35000	3180.00	5250	111.300	16.695	127.995

Total cost for the procurement of 5250 No. 11 kv Steel Cross Arms @ Rs.3180/- each through 15% additional / repeat orders worth Rs. 16.695 million (excluding 17% GST) and total value of P.Os (original + additional) worked out to Rs. 127.995 million (excluding 17% GST). The Board was further informed that Procurement Committee has also recommended the case for Board's approval. The Board was requested to accord its approval for the procurement of 5250 No. 11 kv Steel Cross Arms @ Rs. 3180/- each through 15% repeat / additional orders amounting to Rs. 16.695 million (excluding 17% GST) & total value of P.Os (original + additional) worked out to Rs. 127.995 million (excluding 17% GST) as proposed.

#### **Decision**

The Board accorded its approval for the procurement of 5250 No. 11 kv Steel Cross Arms @ Rs. 3180/- each through 15% repeat / additional orders amounting to Rs. 16.695 million (excluding 17% GST) & total value of P.Os (original + additional) worked out to Rs. 127.995 million (excluding 17% GST) as proposed.

#### **AGENDA ITEM NO.13**

#### **Approval for procurement of 3750 No. 11 kv Dropout Cutout (D-Fuse Fittings) through 15% repeat / additional order (T/No.69/08.12.14).**

The Board was intimated that following purchase orders were placed upon the firms for the supply of 25000 No. 11 kv Dropout Cutout (D-Fuse Fittings) @ Rs. 5700/- each with the approval of BOD MEPCO in its 100<sup>th</sup> meeting held on 28.01.2015.

Sr. No.	Name of Firm	P.O. No. & Date	Rate per Unit (Rs.)	Ordered Qty (No.)
1	M/s Khalifa Sons	0604232/03.03.15	5700.00	6250
2	M/s Worldover Suppliers	0604245/25.03.15	5700.00	6250
3	M/s Malik & Sons	0604228/03.03.15	5700.00	6250
4	M/s Umair Industries	0604270/21.04.15	5700.00	6250
<b>Total: -</b>				<b>25000</b>

Keeping in view the urgency of 11 kv Dropout Cutout (D-Fuse Fittings) to cater to the requirements of field formations especially ensuing hot summer season, it is recommended that 15% additional / variation orders for procurement of 3750 No. D-Fuse Fittings may be placed to overcome any untoward situation in near future. Moreover tendering process if adopted may require sufficient time which may hinder the early completion of works/projects. To save time and funds, it is felt essential in the interest of MEPCO to invoke clause B-Special Conditions-iv i.e. "MEPCO reserves the right to increase/decrease 15% of the quantity within delivery period or within six months from the issuance of purchase order whichever is later". Total cost for the procurement of 11 kv Dropout Cutout (D-Fuse Fittings) is worked out as under:

Description	Ordered Qty (No.)	Purch: Rate on FCS (Rs.)	15% Addl: Qty (No.)	Cost of Org: P.O (Million)	Additional Cost	Total Cost Org+Addl:
D-Fuse Fittings	25000	5700.00	3750	142.500	21.375	163.875

Total cost for the procurement of 3750 No. D-Fuse Fittings @ Rs.5700/- each through 15% additional / repeat orders worth Rs. 21.375 million (excluding 17% GST) and total value of P.Os (original + additional) worked out to Rs. 163.875 million (excluding 17% GST). The case was presented to the procurement committee of the Board. The Board was further intimated that Procurement Committee has also recommended the case to the Board's approval. The Board was

W

requested to accord its approval for procurement of 3750 No. D-Fuse Fittings @ Rs.5700/- each through 15% additional / repeat orders worth Rs. 21.375 million and total value of P.Os (original + additional) worked out to Rs. 163.875 million (excluding 17% GST) as proposed.

**Decision**

The Board accorded its approval for procurement of 3750 No. D-Fuse Fittings @ Rs.5700/- each through 15% additional / repeat orders worth Rs. 21.375 million and total value of P.Os (original + additional) worked out to Rs. 163.875 million (excluding 17% GST) as proposed.

**AGENDA ITEM NO.14**

**Approval for procurement of 150 km PVC 2/Core 10mm<sup>2</sup> through 15% repeat / additional order (T/No. 156/14.05.15 Lot-I & II).**

The Board was apprised that following purchase orders were placed upon the firms for the supply of 1000 km PVC 2/Core 10mm<sup>2</sup> @ Rs.36200/- per km with the approval of BOD MEPCO in its 103<sup>rd</sup> meeting held on 29.06.2015.

Sr. No.	Name of Firm	P.O. No. & Date	Rate per Unit (Rs.)	Ordered Qty (Km)
1	M/s Newage Cables (Lot-I)	0604316/23.07.15	36200.00	500
2	M/s Newage Cables (Lot-II)	0604317/23.07.15	36200.00	500
Total: -				1000

Keeping in view the urgency of PVC 2/Core 10mm<sup>2</sup> to cater to the requirements of field formations especially ensuing hot summer season, it is recommended that 15% additional / variation orders for procurement of 150 km PVC 2/Core 10mm<sup>2</sup> may be placed to overcome any untoward situation in near future. Moreover tendering process if adopted may require sufficient time which may hinder the early completion of works/projects. To save time and funds, it is felt essential in the interest of MEPCO to invoke clause B-Special Conditions-iv i.e. "MEPCO reserves the right to increase/decrease 15% of the quantity within delivery period or within six months from the issuance of purchase order whichever is later". Total cost for the procurement of PVC 2/Core 10mm<sup>2</sup> is worked out as under:

Description	Ordered Qty (km)	Purch: Rate on FCS (Rs.)	15% Addl: Qty (km)	Cost of Org: P.O (Million)	Additional Cost	Total Cost Org+Addl:
PVC 2/Core 10mm <sup>2</sup>	1000	36200.00	150	36.200	5.430	41.630

Total cost for the procurement of 150 km PVC 2/C 10mm<sup>2</sup> @ Rs.36200/- per km through 15% additional / repeat orders worth Rs. 5.430 million (excluding 17% GST) and total value of P.Os (original + additional) worked out to Rs. 41.630 million (excluding 17% GST). The Board was further apprised that procurement Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for the procurement of 150 km PVC 2/Core 10mm<sup>2</sup> @ Rs.36200/- per km through 15% additional / repeat orders worth Rs. 5.430 million and total value of P.Os (original + additional) worked out to Rs. 41.630 million (excluding 17% GST) as proposed.

**Decision**

The Board accorded its approval for the procurement of 150 km PVC 2/Core 10mm<sup>2</sup> @ Rs.36200/- per km through 15% additional / repeat orders worth Rs. 5.430 million and total value of P.Os (original + additional) worked out to Rs. 41.630 million (excluding 17% GST) as proposed.

**AGENDA ITEM NO.15**

**Approval for procurement of 1500 km ACSR Osprey Conductor (T/No.168 Lot-I & II).**

The Board was informed that tender inquiry regarding procurement of 1500 km ACSR Osprey Conductor (Lot-I & II) was floated to meet with the requirements of F/Y 2015-16. The tender opened by the tender opening committee on 17.06.2015. Four firms purchased the tender documents whereas two (02) firms participated in Lot-I & 03 (three) firms participated in Lot-II and quoted their rates on FCS basis without GST, along with quantity offered, detail as below:

Sr. No.	Name of Firm	ACSR Osprey Conductor Qty: 750 km (Lot-I)		ACSR Osprey Conductor Qty: 750 km (Lot-II)	
		T/Rate (Rs.)	Off: Qty (km)	T/Rate (Rs.)	Off: Qty (km)
1	M/s Universal Cables	245000.00	750	-	-
2	M/s Newage Cables	241900.00	750	241000.00	750
3	M/s Continental Cables	-	-	245786.00	750
4	M/s Mutahir Metal Works	-	-	240200.00	750

Out of above participant firms M/s Newage Cables emerged as lowest bidder by offering the rate of Rs. 241900/- per km in Lot-I & M/s Mutahir Metal emerged as lowest bidder by offering the rate of Rs. 240200/- per km in Lot-II. However, the lowest bidders in Lot-I & II offered the revised tender rates i.e. Rs. 234150/- per km which is at par with the previous purchase rate of MEPCO (27.04.2015). Comparison of revised tender rate with the previous purchase rates of MEPCO & other DISCOs is as under:

Description	Revised T/Rate	MEPCO (27.04.15)	LESCO (18.12.14)
ACSR Osprey Conductor	234150.00	234150.00	234143.00

The above revised tender rate is at par with the previous purchase rate of MEPCO. Total cost is worked out as under:

Sr.#	Name of firm	Qty (km)	Rate/Unit (Rs.)	Value
1	M/s Newage Cables (Lot-I)	750	234150.00	175612500
2	M/s Mutahir Metal Works (Lot-II)	750	234150.00	175612500
<b>Grand Total</b>				<b>351225000</b>

The total cost for procurement of 1500 km ACSR Osprey Conductor @ Rs. 234150/- per km comes to Rs.351.225 million (excluding 17% GST). The CEO also accorded approval for putting up agenda item in BOD. The Board was further apprised that procurement Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for the procurement of 1500 km ACSR Osprey Conductor @ Rs. 234150/- per km amounting to Rs. 351.225 million (excluding 17% GST) as proposed.

#### **Decision**

The Board accorded its approval for the procurement of 1500 km ACSR Osprey Conductor @ Rs. 234150/- per km amounting to Rs. 351.225 million (excluding 17% GST) as proposed.

#### **AGENDA ITEM NO.16**

#### **Approval for Procurement of 3750 No. Stay Rod Complete through 15% repeat / additional order (T/No.79/09.12.14)**

The Board was apprised that the following purchase orders were placed upon the firms for the supply of 25000 No. Stay Rod Complete @ Rs. 1625/- each with the approval of BOD MEPCO in its 100<sup>th</sup> meeting held on 28.01.2015.

Sr. No.	Name of Firm	P.O. No. & Date	Rate per Unit (Rs.)	Ordered Qty (No.)
1	M/s Malik & Sons	0604229/03.05.15	1625.00	9375
2	M/s A.M Associates	0604235/03.06.15	1625.00	6250
3	M/s Blacksteel Intl:	0604248/26.03.15	1625.00	6250
4	M/s Bajwa Engg:	0604261/09.04.15	1625.00	3125
Total: -				25000

Keeping in view the urgency of Stay Rod Complete to cater to the requirements of field formations especially ensuing hot summer season, it is recommended that 15% additional / variation orders for procurement of 3750 No. Stay Rod Complete may be placed to overcome any untoward situation in near future. Moreover tendering process if adopted may require sufficient time which may hinder the early completion of works/projects. To save time and funds, it is felt essential in the interest of MEPCO to invoke clause B-Special Conditions-iv i.e. "MEPCO reserves the right to increase/decrease 15% of the quantity within delivery period or within six months from the issuance of purchase order whichever is later". Total cost for the procurement of Stay Rods is worked out as under:

W

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:
Stay Rods Complete	25000	1625.00	3750	40.625	6.094	46.719

Total cost for the procurement of 3750 No. Stay Rod Complete @ Rs.1625/- each through 15% additional / repeat orders worth Rs. 6.094 million (excluding 17% GST) and total value of P.Os (original + additional) worked out to Rs. 46.719 million (excluding 17% GST). The Board was further informed that Procurement Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for procurement of 3750 No. Stay Rod Complete @ Rs.1625/- each through 15% additional / repeat orders worth Rs. 6.094 million and total value of P.Os (original + additional) worked out to Rs. 46.719 million (excluding 17% GST) as proposed.

#### **Decision**

The Board accorded its approval for the procurement of 3750 No. Stay Rod Complete @ Rs.1625/- each through 15% additional / repeat orders worth Rs. 6.094 million and total value of P.Os (original + additional) worked out to Rs. 46.719 million (excluding 17% GST) as proposed.

#### **AGENDA ITEM NO.17**

#### **Approval for procurement of 1000 No.200 kva Distribution Transformers (T No.165).**

The Board was intimated that tender was floated to purchase the quantity required for the 2015-16 and opened on 26.05.2015. Four firms purchased the tender documents whereas only One (01) firm participated in the tender opening process and quoted their rates on FCS basis without GST, along with offered quantity, detail as below:

Sr. No.	Name of Firm	200 kva Dist Transformer (Qty: 1000 No)		Quoted Losses	
		Tender Rate (Rs.)	Off: Qty: (No.)	Iron	Copper
1	M/s Pak Elektron Ltd.	470000.00	1000	386	2685

This tender was floated as per D&S NTDC specification No. DDS-84:2007 Amended to-date. According to which the maximum losses allowable against each capacity of transformer is reproduced as under:

KVA Rating	5	10	15	25	50	100	200
Iron Losses (W)	44	52	68	98	140	248	396
Copper Losses (W)	140	256	348	512	936	1616	2728

According to specification clause No. 16.5 & 16.5.1 the bid above than specified losses would be treated non responsive, however, the manufacturer can offer losses less than above losses and it will be evaluated with offered losses by the bidder than the maximum allowable losses would be calculated in accordance with the given formula:

$$\text{TOC} = \text{Quoted Price} + (\text{K1} \times \text{Iron Losses}) + (\text{K2} \times \text{Copper Losses})$$

Where: Iron Losses (K1) : Rs. 2,99,948 per kw

Copper losses (K2) : Rs. 145,299 per kw

Later on M/s Pak Elektron Ltd offered the revise tender rate from Rs. 470000/- to Rs. 450000/- vide their letter No. Mktg-PD.E.123 dated 01.06.2015 with the following delivery schedule:

Delivery Schedule	Within 60 days	90 days	120 days	150 days
Quantity: 1000 No.	250	250	250	250

Comparison of TOC of last purchase rate of MEPCO with the revised tender rate of M/s Pak Elektron Ltd. is as under:

Sr.#	TOC	MEPCO Prev: P.O Rate	PEL Revised Rate
1	K1 x Iron losses	299.948x396	299.948 x 396
	=	118779.408	118779.408
2	K2 x Copper losses	145.299x2000	145.299x2728
	=	290598	396375.672
3	Quoted Price	425000.00	450000.00
	TOC (1 + 2 +3) =	834377.41	965155.08

*Handwritten signature*

It was also mentioned that PPRA has instructed / replied against a query regarding “if only one tender / bid is received in response to a tender notice advertised in both or one of the media (Authority’s website / print media), should single tender be accepted or re-advertised the tender”, the reply is reproduced is as under:

“Public Procurement Rules, 2004 don’t put any limit on number of tenders / bids received in response to tender notices provided that the procurement opportunity has been advertised in the prescribed manner”.

Revised tender rate of MEPCO is at par with the latest purchase rate of GEPCO and on lower side as compared with the purchase rate of PESCO, detail as below:

Name of Disco	Revised T/Rate	MEPCO 22.12.14	GEPCO 21.08.15	PESCO 04.08.15
Previous Purchase Rates	450000.00	425000.00	450000.00	464000.0

It was also mentioned that the firms have not participated in MEPCO / DISCOs tender due to the delay in the payments. MEPCO recently opened tenders for the procurement of 25 & 50 kva Transformers on 17.08.2015 wherein 07 firms purchased the tender documents and only one firm i.e M/s Siemens participated in the tenders due to said reason. MEPCO has placed a purchase orders for the procurement of 1000 No. 200 kva Transformers upon M/s Transfo Power against the delivery of 500 No. up to 02.05.2015 & remaining 500 No. up to 02.08.2015 out which firm has supplied only 150 No. Transformers. The tender quantity is required to meet with the demand of field formations timely. Total cost is worked out as under:

Sr.#	Description	Qty (No.)	Rate/Unit (Rs.)	Value
1	200 kva Transformers	1000	450000.00	450000000

The total cost for the procurement of 1000 No. 200 kva Transformers @ Rs. 450000/- per unit comes to Rs. 450.00 million (excluding 17% GST). The Board was further informed that Procurement Committee has also recommended the case to the Board’s approval. The Board was further informed that due to extra expenditure involved for shifting of 500 No. 200 KVA distribution transformers, Manager (MM) SEPCO has requested to exclude the quantity already requested for processing and as per tender conditions 50% quantity can be reduced. The cost of 500 No. 200 KVA transformers @ Rs. 450000/- per unit comes to Rs. 225.00 million (excluding 17% GST). The Board was requested to accord its approval for procurement of 500 No. 200 kva Transformers @ Rs. 450000/- per unit amounting to Rs. 225.00 million (excluding 17% GST) as proposed.

#### **Decision**

The Board accorded its approval for procurement of 500 No. 200 kva Transformers @ Rs. 450000/- per unit amounting to Rs. 225.00 Million (excluding 17% GST) against Tender No.165 as proposed.

#### **AGENDA ITEM NO.18**

#### **Approval for the proposal for Bifurcation / Rehabilitation of 11KV Tail Wala feeder emanating from 66KV Grid Station Yazman under Account Head “Distribution Of Powers (DOP)”.**

The Board was intimated that S.E (Op) MEPCO Circle Bahawal Pur submitted the said proposal for according its approval vide memo No. 22894-95 dated 20.03.2015. A new proposed feeder will come into existence due to bifurcation of existing feeder which is to be emanated from 66 KV Grid Station Yazman. PD (Const) MEPCO Multan conducted detailed site survey and submitted scope of work & cost estimate for amounting to Rs. 39.613 Million vide his memo No. 2030-31 dated 05.03.2015. The overall B.C Ratio works out 1.84. The proposal is viable under A/C Head “Distribution of Powers (DOP)”. Brief Description of Scope of Work is as under:-

- i. 01-No. Outgoing 11 KV Panel.
- ii. 0.100 KM HT Power Cable 500MCM
- iii. 8.248 KM New Line of Osprey
- iv. 3.232 KM New Line of Dog
- v. 0.100 KM replacement of Power Cable from UG4 to 500 MCM
- vi. 3.969 KM Reconductoring Dog to Osprey
- vii. 4.887 KM Reconductoring Rabbit to Osprey



- viii. 1.576 KM Reconductoring Gopher to Osprey
- ix. 13.228 KM Reconductoring Rabbit to Dog
- x. 02 No. 450KVAR HT Fixed Capacitor Bank Sets.

The Board was further informed that Procurement Committee has also recommended the case to the Board for its approval. The Board was requested to accord its approval for administrative approval of the said proposal for Bifurcation/Rehabilitation of 11 KV Tail Wala feeder and creation of new proposed feeder to be emanated from 66 KV Grid Station Yazman, under Account head "DOP" involving Rs. 39.613 Million.

**Decision**

The Board accorded its approval as requested for.

**AGENDA ITEM NO.19**

**Approval for the proposal for Bifurcation / Rehabilitation of 11KV Musafir Khana feeder emanating from 132 KV Grid Station Bahawal Pur under Account Head "Distribution Rehabilitation (ELR)".**

The Board was apprised that S.E (Op) MEPCO Circle Bahawal Pur submitted the said proposal for according its approval vide memoNo.14979-80 dated 31.12.2014. A new Proposed feeder will come into existence due to bifurcation of existing feeder which is to be emanated from 132 KV Grid Station Samma Satta. PD (Const) MEPCO Multan conducted detailed site survey and submitted scope of work & cost estimate for amounting to Rs. 37.136 Million vide his memo No. # 1675-76 dated 30.07.2015. The overall B.C Ratio works out 2.43. The proposal is viable under A/C Head "Distribution Rehabilitation (ELR)". Brief Description of Scope of Work is as under:-

- i. 01-No. Outgoing 11 KV Panel.
- ii. 0.100 KM HT Power Cable 500MCM
- iii. 20.682 KM New Line of Osprey
- iv. 0.994 KM Reconductoring Rabbit to Osprey
- v. 1.463 KM Reconductoring Rabbit to Dog
- vi. 02 No. 450KVAR HT Fixed Capacitor Bank Sets.

The Board was further informed that Procurement Committee has also recommended the case to the Board for its approval. The Board was requested to accord its administrative approval.

**Decision**

The Board accorded its administrative approval of the said proposal for Bifurcation/Rehabilitation of 11 KV Musafir Khana feeder and creation of new proposed feeder to be emanated from 132 KV Grid Station Samma Satta, under Account head "ELR" involving Rs. 37.136 Million.

**AGENDA ITEM NO.20**

**Approval for the proposal for Bifurcation / Rehabilitation of 11KV Harrand feeder emanating from 66KV Grid Station Dajal under Account Head "Distribution Rehabilitation (ELR).**

The Board was informed that S.E (Op) MEPCO Circle D.G.Khan submitted the said proposal for according its approval vide memo 17221-22 dated 06.02.2015. A new proposed feeder will come into existence due to bifurcation of existing feeder which is to be emanated from 66 KV Grid Station Dajal. PD (Const) MEPCO Multan conducted detailed site survey and submitted scope of work & cost estimate for amounting to Rs. 34.286 Million vide his memo No. 9420-21 dated 20.08.2015. The overall B.C Ratio works out 6.12. The proposal is viable under A/C Head "Distribution Rehabilitation (ELR)". Brief Description of Scope of Work is as under:-

- i. 01-No. Outgoing 11 KV Panel.
- ii. 0.250 KM HT Power Cable 500MCM
- iii. 5.600 KM New Line of Osprey
- iv. 0.930 KM Reconductoring Rabbit to Osprey
- v. 2.940 KM Reconductoring Rabbit to Dog
- vi. 27.760 KM Reconductoring Gopher to Dog
- vii. 11.530 KM Reconductoring Gopher to Rabbit.

The Board was further informed that Procurement Committee has also recommended the case to the Board for its approval. The Board was requested to accord its administrative approval.

### Decision

The Board accorded its administrative approval of the said proposal for Bifurcation/ Rehabilitation of 11 KV Harrand feeder and creation of new proposed feeder to be emanated from 66KV Grid Station Dajal, under Account head "ELR" involving Rs. 34.286 Million.

### AGENDA ITEM NO.21

#### Approval for the proposal for Bifurcation / Rehabilitation of 11KV Tube Well feeder emanating from 132KV Grid Station Lodhran under Account Head "Distribution Rehabilitation (ELR)".

The Board was apprised that S.E (Op) MEPCO Circle Bahawal Pur submitted the said proposal vide No. 13240-41 dated 11.12.2014 for according its approval. A new proposed feeder will come into existence due to bifurcation of existing feeder which is to be emanated from 132KV Grid Station Lodhran. PD (Const) MEPCO Multan conducted detailed site survey and submitted scope of work & cost estimate for amounting to Rs. 27.986 Million vide his memo No. # 1673-74 dated 30.07.2015. The overall B.C Ratio works out 5.70. The proposal is viable under A/C Head "Distribution Rehabilitation (ELR)". Brief Description of Scope of Work is as under:-

- i. 01-No. Outgoing 11 KV Panel.
- ii. 0.196 KM HT Power Cable 500MCM
- iii. 4.451 KM New Line of Osprey
- iv. 3.033 KM New Line of Dog
- v. 1.737 KM New Line of Rabbit
- vi. 3.996 KM Reconductoring Rabbit to Osprey
- vii. 0.847 KM Reconductoring Gopher to Osprey
- viii. 4.800 KM Reconductoring Rabbit to Dog
- ix. 0.121 KM Reconductoring Gopher to Rabbit
- vi. 01 No. 450KVAR HT Fixed Capacitor Bank Set.

The Board was further informed that Procurement Committee has also recommended the case to the Board's approval. The Board was requested to accord its administrative approval.

### Decision

The Board accorded its administrative approval of the said proposal for Bifurcation/Rehabilitation of 11 KV Tube Well feeders and creation of new proposed feeder to be emanated from 132KV Grid Station Lodhran, under Account head "ELR" involving Rs. 27.986 Million.

### AGENDA ITEM NO.22

#### Approval for institutionalized integrated planning in all MEPCO.

The Board was intimated that USAID has analyzed the activities being carried out by Planning and Engineering Department of MEPCO. The whole idea was to first of all comprehend fully the existing practices; procedures etc. and identify the gaps and loopholes which were captured in an "As-Is" document. Based on the "As-Is" documentation, the proposed MEPCO To-Be Planning Structure and the associated JDs based on current and Future Business and Regulatory Requirements of MEPCO were evolved and shared with the MEPCO Team. A new proposed structure for MEPCO Planning and Engineering Directorate along with existing structures was presented to the Board. As per new proposed structure, 3 posts of Managers, 1 post of Deputy Manager and 4 posts of Assistant Managers are required to be created as tabulated below.

Sr. No.	Designation	Scale	Existing	Proposed	Difference
1	Manager / Director	19	-	3	3
2	Dy. Manager	18	6	7	1
3	Assistant Manager / Jr. Engineer	17	16 (15 PEPCO Strength + 1 Survey Sub division)	20	4

The designations of the proposed officers will be as under:-

Sr. No.	Designation	Detail
1	Manager / Director	a. Manager (Engineering) b. Manager (Transmission & Generation) c. Manager (Distribution)

W

2	Dy. Manager	a. Dy. Manager (GIS)
3	Assistant Manager / Jr. Engineer	a. Assistant Manager (Automated & Smart devices)
		b. Assistant Manager ( Load Forecast)
		c. Assistant Manager (Power Quality Monitoring)
		d. Assistant Manager (GIS) STG

The Board was further apprised that Procurement Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for new proposed structure of Planning of Engineering Directorate along with creation of above mentioned proposed posts.

#### **Decision**

The Board accorded its approval for new structure of Planning of Engineering Directorate along with creation of 3 posts of Managers/Director, 1 post of Deputy Manager and 4 posts of Assistant Managers/ Jr. Engineer as proposed.

#### **AGENDA ITEM NO.23**

#### **Approval for cancellation of Purchase Order No. 061202/Proc/PMU-16 dated 04.11.2013 and forfeiture of Performance Guarantee (amounting to Rs. 12,353,557/- valid up-to 29.10.2015) for supply of ACSR and AA Conductor issued in favour of M/s Atlas Cables, Karachi Financed under MEPCO's own Resources.**

The Board was apprised that Tender No. PMU-MEPCO-16-2013 was opened on 23.07.2013 for procurement of the following material.

#### **Lot-I**

Sr. No.	Description of Material	Qty(KM)
1	ACSR Conductor (Osprey)	387.50
2	ACSR Conductor (Lynx)	83.75
3	ACSR Conductor (Rail)	47.50
4	AA Conductor (Ant)	168.75

A consortium comprising upon M/s Atlas Cables Karachi, M/s Mutahir Metal Works Lahore and M/s Universal Cable Karachi participated in the tender for lot-I and was declared as lowest evaluated responsive bidder. BOD accorded approval for placing LOI/PO in favor of said consortium vide 90<sup>th</sup> BOD Meeting agenda item No. 22 intimated through minutes of BOD meeting vide secretary BOD MEPCO letter No. 2332-55/Company dated 04.09.2013). LOI was issued on 19.09.2013 for amounting to Rs.123,535,567/- with delivery schedule of 120 days from issuance of LOI with final date of delivery of material as 16.01.2014 (Purchase Order No. 061202 dated 04.11.2013, The share of each firm included in consortium was as under.

Sr. No.	Description of Material	M/s Atlas	M/s Universal Cables	M/s Mutahir Metal Works
1	ACSR Conductor (Osprey)	387.50	387.50	387.50
2	ACSR Conductor (Lynx)	83.75	83.75	82.50
3	ACSR Conductor (Rail)	47.50	-	-
4	AA Conductor (Ant)	168.75	168.75	168.75

The detail of material so far supplied by M/s Atlas Cables is as under.

Sr. No.	Description of Material	Ordered Qty (KM)	Supplied Qty (KM)	Remaining Qty (KM)
1	ACSR Conductor (Osprey)	387.50	144	243.50
2	ACSR Conductor (Lynx)	83.75	----	83.75
3	ACSR Conductor (Rail)	47.50	25.60	21.90
4	AA Conductor (Ant)	168.75	----	168.75

The office of CE (Dev) vide No.5452-53 dated 10.12.2014 asked the firm to supply remaining quantity of material but the firm paid no attention. A final notice was issued vide this office letter No.109-10 dated 07.01.2015 upon which the firm responded and requested vide letter dated 23.01.2015 to extend validity date of inland letter of credit for further period of one quarter which has expired on 10.12.2014. The firm's request was entertained accordingly. It is further submitted that delivery period of the firm has expired since 16.01.2014 but the firm has delivered some material after expiry of delivery date of the contract. Now, validity of Performance Guarantee is going to expire 29.10.2015 hence it is necessary to take the following decisions:-

W



**i) Cancelation of contract**

The contract should be cancelled and L.D be imposed upon the firm due to failure in delivery of stores as per Bidding Document Section-III (General Condition of Contract) Clause-22 and to impose ban upon the firm for its participation in MEPCO tendering for future.

**ii) Forfeiture of Performance Guarantee**

Performance Guarantee amounting to Rs. 12,353,557/- valid up-to 29.10.2015 should be forfeited due to delays in supplier's performance as per Bidding Document Section-III (General Condition of Contract) Clause -25.2 (Delays in Supplier's Performance).

The Board was apprised that the Procurement Committee of the Board has also recommended the case for Board's approval. The Board was requested accord its approval for the above mentioned recommended decisions.

**Decision**

The Board accorded its approval for the followings: -

**i) Cancelation of contract**

The contract be cancelled and L.D be imposed upon the firm due to failure in delivery of stores as per Bidding Document Section-III (General Condition of Contract) Clause-22 and to impose ban upon the firm for its participation in MEPCO tendering for future.

**ii) Forfeiture of Performance Guarantee**

Performance Guarantee amounting to Rs. 12,353,557/- valid up-to 29.10.2015 be forfeited due to delays in supplier's performance as per Bidding Document Section-III (General Condition of Contract) Clause -25.2 (Delays in Supplier's Performance).

**AGENDA ITEM NO. 24**

**Approval for cancellation of Purchase Order No. 061226/Proc/PMU-21 Dated 20.08.2014 and forfeiture of Performance Guarantee (amounting to Rs. 13,872,500) for supply of 132KV D/C Tower Material (M/s Metropolitan Steel Corporation, Karachi) Financed under MEPCO's own Resources.**

The Board was intimated that M/s Metropolitan Steel Corporation, Karachi was awarded contract for supply of 132KV Transmission Line Tower Material amounting to Rs. 138.72 Million. The detail of ordered and supplied material is given as under:-

Sr.	Description of Material	Total Qty	Qty supplied	Qty Balance
1	132KV D/C Tower Type ZM-I alongwith stubs & cleats	195	46	149
2	3M Leg Extension for ZM-I	25	--	25
3	6M Leg Extension for ZM-I	10	--	10
4	132KV D/C Tower Type ZM-30	30	60-No. Stubs and 120-No. cleats for ZM-30	30
5	3M Leg Extension for ZM-30	10	--	10
6	132KV D/C Tower Type ZM-60	25	28-No. Stubs & 56-No.Cleats for ZM-60	25
7	3M Leg Extension for ZM-60	6	--	6

The firm was responsible to deliver the total material up-to 24.11.2014 as per Purchase Order but the firm failed to supply the same and partial material was delivered to MEPCO. Detail of material offered, inspected and delivered (almost 20%) is given as under: -

Sr #	Material offered by the firm for inspection	Material got inspected	Material delivered
1	46-No. ZM-I Tower along with Stubs and Cleats.	46-No. ZM-I Towers along-with Stubs and Cleats.	46-No. ZM-I Tower along with Stubs and Cleats
2	Stubs and Cleats for 30-No. ZM-30 type tower	15-No. ZM-30 Towers along-with stubs & cleats for ZM-30	60-No. Stubs and 120-Nos. cleats for ZM-30
3	Stubs and Cleats for 20-No. ZM-60 type tower	Stubs & Cleats for 10-No. ZM-60 type tower	28-No. Stubs & 56-No.Cleats for ZM-60

In other words the firm has failed to supply the material in spite of notices served to the firm vide this office letter No.3616-18 dated 27.10.2014, No. 122-23 dated 07.01.2015 & No. 420-21 dated

W

14.01.2015. The material supplied by M/s Metropolitan, Karachi was used for construction of 132KV Transmission Line Ahmed Pur East – Feroza Circuit In & Out at Rahim Yar Khan Sugar Mills Power Plant (Tehsil Liaquat Pur). Project Director (GSC) MEPCO vide letter No. 6446-47 dated 19.02.2015 addressed to Chief Engineer (Development) PMU MEPCO intimated that a number of defects were observed in the Tower Material as detailed below: -

- a) The galvanizing of the Tower Material is very poor as the rusting has been started.
- b) Most of the components have improper bends due to which the joint could not be made properly (Specially between 17 & 21)
- c) All the plates having No. 26, 26 A, 26 B, 26 C, 26 D, 27 B, 27 C etc. have wrong holes due to which either these plates could not be installed or installed improperly.
- d) X-Arms could not be affixed properly due to improper bends and wrong holes.
- e) Braces could not be tightened with X-Bolts due to improper holes.
- f) The thickness of the components is also not as per specification.

An enquiry committee was constituted vide Chief Engineer (Development) PMU MEPCO office order No. 2072-74 dated 24.02.2015 and office order No. 37/5294-98 dated 14.05.2015 to probe into the facts of this report. The enquiry committee submitted its enquiry report with the following recommendations:-

1. The discrepancies pointed out by Project Director (GSC) MEPCO vide letter No. 6446-47 dated 19.02.2015 is based on facts.
2. M/s Metropolitan Steel Corporation Karachi has provided sub-standard material which is not as per NTDC/IEC specification therefore, the firm is fully responsible.
3. M/s Metropolitan be taken on board for replacement of material as per Warranty clause No.9 of P.O by Manager (Procurement) PMU MEPCO and extended warranty may be obtained for 10 years.
4. M/s Metropolitan may be asked to supply material shorter than inspected and replace defective material at his cost & risk before issuance of GRN.
5. The line is having low strength and is vulnerable to any accident, so it is necessary to attend its deficiencies / defects. Necessary remedial measures should be taken of removal of defects.
6. Although M/s Metropolitan Steel Corporation Karachi is fully responsible for providing substandard material. Before installation, there were three stages i.e inspection, Store and GSC level where quality of material were to be verified, therefore, officers / officials responsible cannot be absolved from the negligence observed in the procurement & installation of said material.
  - a. Inspection of material was not upto the mark as no supplied column or braces was engraved with P.O No. For which Mr. Khalid Javed Khan, SE (GSO) Multan is responsible.
  - b. Inspection certificate was valid for 20 days after the date of issuance but material was received beyond 20 days. Further, Store SOPs for material receipt & issuance were violated for which Muhammad Nazim Khan Asstt. Manager and Syed Sajjad Hussain Junior Store Keeper are responsible.
  - c. Fabrication of the material was not as per specification which was in the knowledge of the GSC staff. GSC staff pointed out the discrepancies but at the same time installation of the material remained continued. Although, there was urgency but on the basis of urgency, quality of material / work cannot be tolerated. For which Mr. Muhammad Altaf AFM is responsible.

GRN of the delivered material by the firm was not issued under verbal direction of higher authority due to the reason that M/s Metropolitan had supplied some short material in the previous purchase orders which has been confirmed in written statement of Director of M/s Metropolitan Steel, Karachi. The higher administration advised, not to issue GRN till the remaining short material acknowledged by M/s Metropolitan Steel, Karachi is delivered to MEPCO. The detail of short quantity of material supplied as admitted by M/s Metropolitan Steel, Karachi is given as under:-

W

Sr. No.	Items	Remaining short Qty	Sr. No.	Items	Remaining short Qty
1	Nuts & bolts (various sizes)	75,000 (already delivered 25,000)	8	Plate-27-B	177
2	U. Bolts	589	9	Plate-27-C	156
3	Plate-26	250	10	Danger Plates	197
4	Plate-26-A	186	11	Number Plate	197
5	Plate-26-B	691	12	Step Bolts	6780
6	Plate-26-C	171	13	V Shackle	367
7	Plate-26-D	742	14	A/C Devices	1576

The enquiry report has been approved by the Chief Engineer (Development) PMU MEPCO. To comply with the recommendations of enquiry committee the following approval from BOD MEPCO are required.

- i) approval for forfeiting the performance guarantee of M/s Metropolitan Steel, Karachi amounting to Rs. 13,872,500 , due to failure in execution of the contract (only approval to regularize the matter is required as the performance guarantee already stands forfeited prior to expiry of the guarantee i.e. valid up-to 15.07.2015).
- ii) approval to terminate the contract for default as permissible under General Condition of the contract Section –III Clause 25.2 and to impose ban upon the firm for its participation in MEPCO tenders for future.
- iii) approval to procure the short material delivered (in different purchase orders) and acknowledge by M/s Metropolitan Steel, Karachi on the cost of M/s Metropolitan Steel, Karachi.

The Board was further informed that Procurement Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval.

#### **Decision**

The Board accorded its approval:-

- i. for forfeiting the performance guarantee of M/s Metropolitan Steel, Karachi amounting to Rs. 13,872,500 valid due to failure in execution of the contract.
- ii. to terminate the contract for default as permissible under General Condition of the contract Section –III Clause 25.2 and to impose ban upon the firm for its participation in MEPCO tenders for future
- iii. to procure the short material delivered (in different purchase orders) and acknowledge by M/s Metropolitan Steel, Karachi on the cost of M/s Metropolitan Steel, Karachi.

#### **AGENDA ITEM NO.25**

##### **Approval for construction of new 132 kv Grid Station Donga Bonga**

The Board was apprised that NA standing committee for Water & Power during its meeting dated: 25.08.2015 has directed for construction of 132-KV new Grid Station Donga Bonga along-with its feeding Transmission Line during financial year 2015-16 to overcome low voltage problem in the area. Superintending Engineer (OP) Circle MEPCO Bahawal Nagar vide letter No. 13743-47 dated: 27.08.2015 has informed that the land for the said Grid Station has been arranged. Subsequently MEPCO Siting and Layout Board has visited the area on 17.06.2015 and its report regarding suitability of site is awaited. The proposed scope of work for construction of subjected Grid Station as per future load requirement is given as under please

Sr. No.	Project Name	Proposed Scope of Work	Tentative Cost In PKR Million
1	132KV Grid Station Donga Bonga	2x13MVA PTF	150
2	Stringing of 2 <sup>nd</sup> Circuit of Chishtian – Haroonabad T/Line	17-KM, Lynx,	40
3	132KV SDT T/Line Haroonabad –Donga Bonga	19-KM, Lynx	130
<b>Total</b>			<b>320</b>



The estimated cost of the project as per defined scope is almost Rs. 320 Million. The Board was further informed that Procurement Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for construction of subject cited new Grid Station along with its feeding Transmission Line as per scope of work mentioned above amounting to Rs. 320 Million.

#### **Decision**

The Board accorded its approval for construction of new Grid Station along-with its feeding Transmission Line as per scope of work mentioned above amounting to Rs. 320 Million.

#### **AGENDA ITEM NO.26**

#### **Approval for conduct time scale up-gradation Board of MEPCO officers from BPS-19 to BPS-20 at Company level.**

The Board was apprised that PEPCO has authorized all DISCO's to conduct only Time Scale Up gradation Board from BPS-18 to BPS-19 at company level. However, promotion from BPS-18 & above will continue to be held at PEPCO level till finality of manpower transition program vide letter dated 13.05.2014. Meanwhile, LESCO has conducted the Up gradation Board of their officers from BPS-19 to BPS-20 after getting prior approval of its BOD vide its office order dated 09.07.2015. The Committee was further apprised that MEPCO, amongst other companies, once also conducted the Up gradation Board from BPS-19 to BPS-20 on 13.03.2013 with the approval of MEPCO BOD but later on objections were raised by PEPCO as in some companies junior eligible officers were upgraded earlier than the senior eligible officers in other companies causing unrest & agitations amongst them. However, the matter was subsequently regularized by PEPCO after detailed deliberations. Since then, MEPCO & other companies are conducting the Upgradation Boards of its officers from BPS-18 to BPS-19 only as per their authorization. Presently, the Upgradation Board of officers BPS-19 & above are being conducted by PEPCO and in this regard, documents of the eligible officers of MEPCO have already been sent to PEPCO H/Q. Now some senior officers of MEPCO are stressing hard to conduct the Upgradation Boards from BPS-19 to BPS-20 at company level on the analogy of LESCO after getting prior approval of MEPCO BOD with the plea that unlike the promotion boards, the matter of seniority is not involved in processing the cases of Upgradation. But, for calculation/ quantification of the thresholds for Upgradation from BPS-19 to BPS-20, this office needs the ACRs/PERs and penalty record of BPS-18 & 19 which is available with PEPCO. However, photocopies of ACRs/PERs of some previous years are available with MEPCO which can be utilized, to some extent, for calculation of threshold. It was pointed out that Section Officer (DISCOs) Ministry of Water & Power, Govt. of Pakistan, Islamabad vide letter dated 02.07.2015 addressed to MD (PEPCO) and copies to all DISCOs informed that for transferring of relevant record pertaining to officers of all unbundled entities being maintained / processed for transfer / promotions would continue with PEPCO till 31<sup>st</sup> December-2015. All Selection / Promotion Boards of officers in BPS-18 & above, on the basis of integrated seniority would continue to be held by PEPCO. Accordingly, cases of those officers have been sent to PEPCO for Upgradation from BPS-19 to BPS-20. In case, Upgradation Boards of officers from BPS-19 to BPS-20 is held at MEPCO level, the composition of Selection Board will be as under as it was constituted during 2013 when MEPCO conducted first Upgradation Board of the same category at company level on the basis of available record / photo copies of ACRs/PERs.

Chairman BOD	Convener
Chairman HR Committee of BOD	Member
Chairman Procurement Committee of BOD	Member
Chairman Audit & Finance Committee of BOD	Member
Chief Executive Officer	Member
General Manager (Op)	Member
General Manager (Technical)	Member
HR & Admn Director	Secretary

The Board was further apprised that the case was presented to the HR Committee and the Committee had instructed the HR & Admn Director to present the working paper elaborating the

W

quantification of thresholds of the eligible officers for Board's consideration. The HR & Admin Director presented the desired working paper to the Board. The Board was requested to accord its approval for Time Scale Upgradation Board of officers from BPS-19 to BPS-20 at company level on the analogy of LESCO through above proposed composition of Selection Board on the basis of aforementioned available record in MEPCO. The Board discussed the matter at length and after due deliberation, instructed the HR & Admin Director to get a clarification from Ministry in this regard.

#### **Decision**

The Board instructed the HR & Admin Director to get a clarification in this regard from Ministry before proceeding in this matter.

#### **AGENDA ITEM NO.27**

##### **Approval for up-gradation of Senior Clerks from BPS-09 to BPS-11.**

The Board was informed that GM (HR) PEPCO vide office Memorandum No. 2485-2500 dated 24.07.2015 has conveyed the approval of BOD PEPCO to allow Upgradation in BPS-11 to Senior Clerks (BPS-09) on completing service in the cadre as under:-

- a. 07-Years for graduate.
- b. 10-Years for Non-Graduate.

The facility of Upgradation to Senior Clerks is subject to the following conditions:-

- (i) Passing Departmental Examination.
- (ii) Successfully completion of mandatory training.
- (iii) ACRs for last 05-Years should be at least good.
- (iv) No inquiry / audit para should be pending.

The Board was further intimated that HR Committee has also recommended the case for Board's approval. The Board was requested to accord its approval for adoption the office memorandum No. 2485-2500 dated 24.07.2015 issued by GM (HR) PEPCO regarding grant of Two Steps Time Scale Upgradation to Senior Clerks from BPS-09 to BPS-11 subject to above mentioned conditions.

#### **Decision**

The Board accorded its approval for adoption the office memorandum No. 2485-2500 dated 24.07.2015 issued by GM (HR) PEPCO regarding grant of Two Steps Time Scale Upgradation to Senior Clerks from BPS-09 to BPS-11 subject to above mentioned conditions.

#### **AGENDA ITEM NO.28**

##### **Approval for grant of Increase in Pension to PEPCO/Corporatized Entities Pensioners.**

The Board was apprised that the competent authority has been pleased to sanction an increase 7.5% of net pension w.e.f. 01.07.2015 untill further order to pensioners of PEPCO/Corporatized Entities. The 20% increase in pension allowed vide para-1 of the Finance Division's O.M. No.F.4(1)-Reg.6/2012-1144 dated 02.07.2012 shall be discontinued for those who would retire on or after 01.07.2015. However, 15% in terms of O.M. No. GM(HR)/HRD/A-332/1410-46 dated 23.08.2010, 15% vide GM(HR)/HRD/A-332/559-80 dated 20.07.2011, 10% vide GM(HR)/HRD/A-332/3612-25 dated 30.09.2013 and 10% vide GM(HR)/HRD/A-332/454-87 dated 02.02.2015 shall be admissible to the new pensioners who would retire on or after 01.07.2015. The 7.5% increase in Pension as mentioned as Para-I above will also be admissible to the future retirees who would retire on or after 01.07.2015. For the Purpose of admissibility of increase in pension sanctioned in this O.M. the term "Net Pension" means "Pension being drawn". Minus Medical Allowance. The Increase will also be admissible on family pension granted under the Pension cum-gratuity Scheme-1954, Liberalized Pension Rules-1977, on pension sanctioned under the Central Civil Services (Extra Ordinary Pension) Rules as well as on the Compassionate Allowance under CSR-353. If the gross pension sanctioned by the Federal Government is shared with any Government in accordance with the rules laid down in part-IV of Appendix III t the Accounts Code, Volume-I, the amount of the increase in pension will be apportioned between the Federal Government and the other Government concerned on proportionate basis. The Increase in Pension sanctioned in this O.M. will not be admissible on Special additional Pension allowed in lieu of pre-retirement orderly allowance and monetized value of driver or an orderly. The benefit of increase in pension sanctioned in this O.M. will also be admissible to those Civil Pensioners of the Federal Government who are residing abroad (other than

W

those residing in India & Bangladesh) who retired on or after 15.08.1947 and are not in receipt of pension increase under the British Government's Pension (Increase) Acts. The payment be made at the applicable rate of exchange. The Board was further informed that HR Committee has also recommended the case to the Board's approval. The Board was requested to accord its approval for adoption for Office Memorandum No.GM(HR)/HRD/A-332/2616-41 dated 03.08.2015 regarding Grant of Increase in Pension to PEPCO/Corporatized Entities w.e.f. 01.07.2015.

#### **Decision**

The Board accorded its approval for adoption of Office Memorandum No. GM (HR)/HRD/A-332/2616-41 dated 03.08.2015 regarding Grant of Increase in Pension to PEPCO/Corporatized Entities Pensioners w.e.f. 01.07.2015.

#### **AGENDA ITEM NO.29**

##### **Approval of Co-Signatories for Imprest Bank Account No. 1704-0.**

The Board was apprised that at present three officers as mentioned hereunder are co-signatories to operate Imprest Bank Account No. 1704-0 maintained with ABL Chowk Rashidabad Branch, Multan.

1. Mr. Shahbaz Ahmed Khan (Company Secretary)
2. Mr. Liaqat Ali Memon (Manager HRM)
3. Mr. Jalil Ur Rehman (Manager Admn)

Further stated that officer appearing at Serial No. 1 has since been retired from service. Officers appearing at Serial No. 2&3 most of time remain pre-occupied and it is extremely difficult to spare time to sign large number of cheques. Resultantly sometimes payments are delayed due to non availability of co-signatories. Hence it is in the interest of official work to authorize Mr. Sajid Yaqoob Company Secretary to act as co-signatory in place of Engr. Shahbaz Ahmed Khan Ex. Company Secretary. The Board was requested to accord its approval for authorizing Mr. Sajid Yaqoob Company Secretary to act as co-signatory in place of Engr. Shahbaz Ahmed Khan Ex. Company Secretary.

#### **Decision**

The Board accorded its approval for authorizing Mr. Sajid Yaqoob Company Secretary to act as co-signatory in place of Engr. Shahbaz Ahmed Khan Ex. Company Secretary.

#### **Any other points with the permission of the chair.**

##### **a. Approval for continuing engagement of Abacus for ERP Implementation & Software**

###### **Maintenance.**

The matter was referred the case to the Audit Committee of MEPCO Board for its deliberation/recommendations.

##### **b. Approval for engagement of personnel for ERP implementation**

The matter was referred to the HR Committee of MEPCO Board for its deliberation/recommendations.

##### **c. Approval for sale of 32MW surplus Power to MEPCO.**

The Board was apprised that in pursuance to the Generation License issued by National Electric Power Regulatory Authority (NEPRA) to Fatima Energy Limited (FEL) vide No.SGC/96/2013 dated 31.12.2013 for wheeling of 120MW Bagasse/Coal based power from its Facility located at Sanawan, Mehmood Kot, Tehsil Kot Addu, District Muzaffargarh to its Bulk Power Consumers (BPCs), MEPCO signed an Energy Wheeling Agreement (EWA) on 16.05.2014 with M/s Fatima Energy Limited (FEL). M/s FEL vide its letter dated 06.01.2015 informed that its power plant will generate 107MW net power during off-season (April-November) and 88MW during crushing season (December to March), whereas FEL will supply 75MW to its BPCs, therefore, FEL can supply 32MW surplus power during off-season (April-November) to MEPCO. The matter was referred to NEPRA vide MEPCO letter dated 27.01.2015 to get clarification from the Honorable Authority. NEPRA vide its letter dated March 20, 2015 clarified that,

“Generation License of FEL is restricted to supply of power to 04 bulk power consumers (BPCs) as mentioned in Second Tier Supply Authorization of FEL. For any amendment in the generation

license desired by the Licensee, the Licensee is required to submit a Licensee Proposed Modification (LPM) in the manner prescribed in NEPRA application and modification procedure and regulation 1999. Further in case of intended sale / purchase of electricity between a power purchaser and a DISCO / TRANSCO is required to submit a Power Acquisition Request (PAR) to NEPRA under NEPRA Interim Power Procurement (Standards & Procedure) 2005 (IPPR-2005)".

M/s FEL has submitted the Licensee Proposed Modification (LPM) to NEPRA which is under process. M/s FEL requested MEPCO to submit the PAR for purchase of 32MW surplus power on take & pay basis. The Board was requested to accord its approval for authorizing Chief Engineer (CS) MEPCO for submission of Power Acquisition Request (PAR) to NEPRA to determine the tariff for purchase of 32MW surplus power from Fatima Energy.

**Decision**

The Board accorded its approval to authorize Chief Engineer (CS) MEPCO for submission of Power Acquisition Request (PAR) to NEPRA to determine the tariff for purchase of 32MW surplus power on take and pay basis from Fatima Energy Limited (FEL) Sanawan, Mehmood Kot, Tehsil Kot Addu District Muzaffar Garh.

**d. Approval for filing of recovery suit against M/s Trust Investment Bank Limited and payment of special fee Rs. 650000/- to Mr. Salman Mansoor, advocate.**

The Board was apprised that MEPCO Invested Rs. 200 (Million) in M/S Trust Investment Bank Ltd. in 2011 but TIBL miserably failed to fulfill its commitment as mutually agreed. A reference has been made to NAB Lahore vide this office letter 112369-73 dated 10.11.2014 for initiating criminal proceedings / investigation against M/S Trust Investment Bank Ltd. in order to refund recover Rs. 200 (Million) of MEPCO from the said Bank. M/S TIBL filed civil suit in the court of civil judge 1<sup>st</sup> class Lahore which is still subjudice. MEPCO after obtaining legal opinion from the retired judge / senior advocates has decided to file recovery suit against M/S Trust Investment Bank Ltd. before the competent court of law. Mr. Salman Mansoor, Advocate Supreme Court of Pakistan has been engaged by MEPCO vide No. 45305-07 dated 01.06.2015 who first demanded Rs. 1500,000/- as professional fee + misc charges. However, after bargaining the professional Fee Rs. 600000/- and Misc Charges Rs. 50000/- has been finalized. Upon the query of the Board, Manager Legal apprised the Board as per Legal Opinion solicited Mr. Justice (Retired) Choudhry Saghir Ahmad, Advocate Supreme Court Rao Muhammad Iqbal, Advocate Supreme Court, Mr. Javed Akhtar Wanse, Advocate Supreme Court, if MEPCO fails to file recovery suit within Limitation period, it would become time barred claim, moreover, Criminal proceedings and Civil proceedings can be carried out simultaneously. The Board was requested to accord its approval for filing of recovery suit against M/s Trust Investment Bank Limited and payment of Rs. 650000/- to Mr. Salman Mansoor, Senior Advocate Lahore as fees + misc charges as a special case in order to file the recovery suit against M/S Trust Investment Bank Ltd. in the interest of company.

**Decision**

The Board accorded its approval for filing of recovery suit against M/s Trust Investment Bank Limited and the payment of Rs. 650000/- to Mr. Salman Mansoor, Senior Advocate Lahore as fees + misc. charges as a special case.

The Meeting ended with thanks to and from the Chair.

APPROVED

(Engr. Sajid Faqoob)  
Company Secretary MEPCO

Chairman  
Board of Directors  
MEPCO Ltd. Multan.