

MULTAN ELECTRIC POWER COMPANY

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No. 1303-24 /Company Secy

Office of
The Company Secretary

Dated: 24-06-2016.

1. Engr: Fazalullah Durrani
Chief Executive Officer,
MEPCO Multan.
2. Mr. Rajan Sultan Pirzada,
House No.257 Tipu Shaheed Road,
Modle Town-A Bahawalpur
3. Mr. Muhammad Anwer Sheikh,
Joint Secretary (CF-II), Govt of Pakistan
Finance Division Islamabad
4. Mr. Muhammad Suleyman Khan Warraich
Deputy Secretary (DISCO's),
Ministry of Water & Power, Islamabad.
5. Mr. Khalid Masood Khan,
10-Green Lane, Zakaria Town
Bosan Road, Multan.
6. Khawaja Muhammad Azam,
15-16 Ground Floor Muhammad Arcade,
LMQ Road, Multan.
7. Mian Zahid Pervaiz Marral,
14- Altaf Town Tariq Road Multan.
8. Mian Shahid Iqbal
Rehman Villa Bohar Gate, Bahawalpur
9. Mr. Asad Rehman Gillani
Secretary Energy, Govt of Punjab
Energy Department, Lahore.

Sub-: **MINUTES OF 112TH BOD MEETING HELD ON 14.06.2016.**

Enclosed please find herewith Minutes of 112th BOD Meeting held on **14.06.2016 (Tuesday) at 02:00 pm** in MEPCO Conference Room Khanewal Road, Multan, for information and necessary action please.

DA/as above

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) Distn: MEPCO HQ Multan.
5. General Manager (CS) MEPCO Ltd Multan
6. Chief Engineer (T&G) MEPCO Ltd Multan.
7. Chief Engineer (Development) HQ Multan
8. Chief Engineer (Planning) HQ Multan.
9. DG (IS) MEPCO HQ Multan.
10. Manager (Security) / Transport MEPCO Multan.
11. Manager Internal Audit, MEPCO HQ Multan.
12. Dy: Manager Intelligence MEPCO HQ Multan.
13. Dy: Manager (Public Relations) MEPCO HQ Multan.


COMPANY SECRETARY

For information & necessary action.

MULTAN ELECTRIC POWER COMPANY

**MINUTES OF 112th MEPCO B.O.D. MEETING, HELD ON 14.06.2016 (TUESDAY) AT
02:00 pm IN MEPCO CONFERENCE ROOM KHANEWAL ROAD MULTAN**

Present;

- | | |
|-----------------------------|---------------------------|
| 1. Mr. Fazalullah Durani | Chief Executive/Director. |
| 2. Mr. Rajan Sultan Pirzada | Director |
| 3. Muhammad Anwer Sheikh | Director |
| 4. Muhammad Suleyman Khan | Director |
| 5. Mr. Khalid Masood Khan | Director |
| 6. Khawaja Muhammad Azam | Director |
| 7. Mr. Zahid Pervez Marral | Director |
| 8. Mian Shahid Iqbal | Director |
| 9. Engr. Sajid Yaqoob | Company Secretary |

The Quorum was in order and the Meeting started with recitation from the Holy Quran by Khalid Masood Khan. The Company Secretary intimated the Board about the "Leave of Absence" received from Mr. Asad Rehman Gilani, Member of MEPCO Board. The Board, after due consideration, granted the leave of absence to the honorable Member.

AGENDA ITEM NO.1

Election of the Chairman of the Board

The agenda was presented by Company Secretary MEPCO. The Board was apprised that Ministry of Water & Power, Islamabad has re-constituted new Board of Directors of MEPCO vide Ministry of Water & Power Notification No.6(27)/2012-DISCOs-1 dated 11th May, 2016. So, new Chairman of the Board is required to be elected. The Members were requested to elect the Chairman amongst them through election, accordingly. Mr. Khalid Masood Khan proposed the name of Mr. Rajan Sultan Pirzada. It was seconded by Mr. Zahid Pervez Marral. All other available Members unanimously agreed with the proposal. The Chairman took the Chair. He was congratulated by other Members. The Members hoped that with his well known competence, Mr. Rajan Sultan Pirzada will be able to conduct the Board in an efficient way. They expressed their full cooperation and support for the Chairman. Mr. Rajan Sultan Pirzada thanked the Members for bestowing their confidence in him and assured to work in transparent and efficient manner. The Chairman also recorded his appreciation for the dedication and hard work with which the outgoing Members had run the previous Board. It was decided to honor the outgoing Members.

Decision

The Board resolved that Mr. Rajan Sultan Pirzada be and is hereby selected as the Chairman of MEPCO Board of Directors.

AGENDA ITEM NO.2

Assigning of 7 available shares to Members of Board of Directors

The agenda was presented by Company Secretary MEPCO. The Board was apprised that at the time of inception of MEPCO in 1998, the strength of MEPCO Board of Directors was of 7 Members and each Member was allotted one share of the company, as such, all the Members, though nominated were all shareholders. The remaining shares were and are in the name of Government. Now, the Board has been constituted for 10 Members and the company has 7 available shares. The Members were requested to consider the matter and allot 7 available shares to the Members as Audited Accounts of the Company can only be signed by the share holder Directors.

Decision

The Board resolved that 5 shares out of 7 available shares of the Company be and are hereby allotted to the following members of the board and rest of the shares be allotted to the new Members which are expected to be nominated by the Ministry of Water & power, Islamabad.

- | | |
|------------------------------|----------|
| 1. Mr. Rajan Sultan Pirzada | Director |
| 2. Mian Zahid Pervaiz Marral | Director |
| 3. Khawaja Muhammad Azam | Director |
| 4. Mian Shahid Iqbal | Director |
| 5. Mr. Khalid Masood | Director |

AGENDA ITEM NO.3

Formation of MEPCO Board's Committees

The agenda was presented by Company Secretary MEPCO. The Board was informed that according to Public Sector Companies (Corporate Governance) Rules 2013, Sections 12, the Board shall setup the following committees to support it in performing its functions efficiently and for seeking assistance in the decision making process, namely:-

- a) **Audit Committee**, for an efficient and effective internal and external financial reporting mechanism;
- b) **Risk Management Committee**, in case of Public Sector Companies either in the financial sector or those having assets of five billion rupees or more, to effectively review the risk functions;
- c) **Human Resources Committee**, to deal with all employee related matters including recruitment, training, remuneration, performance evaluation, succession planning, and measures for effective utilization of the employees of the Public Sector Company;
- d) **Procurement Committee**, to ensure transparency in procurement transactions and in dealing with the suppliers;
- e) **Nomination Committee**, to identify and recommend the candidates for Board for the consideration of shareholders after examining their skills and characteristics that are needed in such candidates.

The Board committees shall be chaired by non-executive directors and the majority of their members shall be independent. However, the independent directors in the committees shall not be less than their proportionate strength during the first four years of this notification. The existence of such committees shall not absolve the Board from its collective responsibility for all matters. Such committees shall have written terms of reference that define their duties, authority and composition, and shall report to the full Board. The minutes of their meetings shall be circulated to all Board members. The Board was requested to consider the matter and accord its approval for formulation of above mentioned committees along with their respective TORs.

Decision

The Board resolved that following Board Committees, with above mentioned TOR's be and are hereby constituted.

1. Audit Committee

- | | |
|------------------------------|----------|
| i. Mr. Mian Shahid Iqbal | Chairman |
| ii. Muhammad Anwar Sheikh | Member |
| iii. Khawaja Muhammad Azam | Member |
| iv. Mr. Khalid Masood Khan | Member |
| v. Mian Zahid Pervaiz Marral | Member |

2. **Risk Management Committee**
 - i. Mr. Khalid Masood Khan Chairman
 - ii. Chief Executive Officer Member
 - iii. Khawaja Muhammad Azam Member
 - iv. Mian Zahid Pervaiz Marral Member
3. **Human Resources Committee**
 - i. Mr. Khalid Masood Khan Chairman
 - ii. Chief Executive Officer Member
 - iii. Mian Zahid Pervaiz Marral Member
 - iv. Mian Shahid Iqbal Member
4. **Procurement Committee**
 - i. Khawaja Muhammad Azam Chairman
 - ii. Chief Executive Officer Member
 - iii. Mr. Khalid Masood Khan Member
 - iv. Mian Zahid Pervaiz Marral Member
5. **Nomination Committee**
 - i. Mian Zahid Pervaiz Marral Chairman
 - ii. Chief Executive Officer Member
 - iii. Mr. Khalid Masood Khan Member
 - iv. Mian Shahid Iqbal Member

AGENDA ITEM NO. 4

Presentation by CEO upon Company's profile & progress

In order to acquaint the Board Members with the wider scope of Company's working profile and progress, Mr. Fazullah Durrani Chief Executive Officer, gave an orientation presentation to the Board. He briefed the Board about Company's background, jurisdiction, organizational setup, customers profile, technical/commercial data and network comparison with other Discos. While briefing the Board about Company's performance, he apprised the Board that monthly line losses for May, 2016 have been decreased by 0.7% as compared to May, 2015, whereas, progressive line losses upto May, 2016 have been decreased by 0.9% as compared to previous year. MEPCO has achieved more than 100% recovery on average every month since he took over the charge of the Company. All the defective meters have been replaced against CP-90 and 218,018 Single Phase Meters, 11,450 Three Phase Meters, 639 MDI meters have been replaced during the current financial year. He also briefed the Board about load management plan during the Holy Month of Ramadan. While elaborating the detection charged and recovered during the current financial year, he apprised the Board that 81.22 MKWH units amounting to Rs. 959.27 M have been detected and 65.30 % of the charged amount has been recovered from the customers. Under new Ordinance, 790 cases were reported to Police department, out of which only 211 FIRs have been registered. The Members showed their concern for slow progress of registration of FIRs. Muhammad Suleyman Khan informed the Board that respective Inspector General of Police have appointed Focal Persons for different DISCOs on the request of the Ministry of Water and Power and opined that CEO should take up the matter with Ministry for appointment of Focal Person from Police department to vigorously follow the lodged FIRs or reported cases against theft of electricity. The Members also stressed to strengthen the Legal Department and nominate Focal Person from Company to keep liaison with Police Department. After detailed discussion, the Members opined to formulate a Legal Committee of the Board to scrutinize the Legal Matters of the Company. The Chair agreed with the proposal and formulated a Legal Committee

comprising of following Members to give its recommendations to the Board about Legal matters of the Company.

1.	Mr. Khalid Masood Khan	Chairman
2.	Chief Executive Officer	Member
3.	Khawaja Muhammad Azam	Member
4.	Mian Zahid Perveiz Marral	Member
5.	Mian Shahid Iqbal	Member

The Board instructed the Director Legal to give a presentation to the Board about the working and performance of his department. During the course of discussion, the Board instructed the CEO to ensure public awareness regarding newly established Complaint Redressal Cell (CRC) and online complaint system established at Ministry level. Mr. Khalid Masood Khan, showed his concern upon ratio of Damaging of Distribution Transformers. The Board instructed the CEO to develop a System Augmentation Program and give a presentation to the Procurement Committee about its roadmap and implementation. With above mentioned instructions, the Board showed its satisfaction on overall performance of the Company.

AGENDA ITEM NO.5

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

i) Approval for acceptance of tenders for Dismantling, Foundations Design, construction of Pile foundation, Tie Beams, Pile Caps, Erection, Stringing, Testing and commissioning of a portion of River crossing having a length of 2.435 km of 132-kv D/C Transmission line Sadiqabad – Guddu (Break down work).

The agenda was presented by Chief Engineer (Development) PD (GSC) MEPCO. The Board was intimated that Executive Engineer (SS&T) Division MEPCO Multan vide letter # 10887-90 dated 22.01.2016, intimated that on 22.01.2016 at 0445 Hrs 132KV L-1 and L-2 at TPS Guddu tripped as a result of partial collapse of 03 No. towers No. 138 (special type tower), 139 and 140 (dead towers) of 132KV D/C Sadiqabad–Guddu Transmission Line. After checking of breakdown site, the matter was referred to Chief Engineer (Design) NTDC to depute their expert representative for providing appropriate solution to attend the breakdown work. On 27.01.2016, Deputy Director (Design) NTDC visited the site and brief recommendations were conveyed by Chief Engineer (Design) NTDC vide letter No. 1897-1900 dated 01.02.2016. Later on, Chief Engineer (Design) NTDC has approved an alternate profile vide plan tabling and profile No. PDW/TL-8135 and PDW/TL-8136 dated 22.03.2016 for captioned breakdown project. Tenders for the subject work were called and opened publicly in this office on 21.04.2016 by the Tender opening committee constituted vide Project Director (GSC) MEPCO office order No. 141/3891-93 dated 18.04.2016 in the presence of representatives of the firms. Five (05) Tenders were issued and only one (01) firm participated in bidding process and quoted the following rates in their bid for both Lot-1 & Lot-2.

Project Description	Quoted Bid Price (Rs.)	
	LOT-1	LOT-2
Dismantling, Foundations Design, Construction of Pile Foundation, Tie Beams, Pile Caps, Erection, Stringing, Testing and Commissioning of a Portion of River Crossing Having a Length of 2.435 KM of 132-KV D/C Transmission Line Sadiqabad – Guddu (Break Down Work)	Rs. 61,492,000/-	Rs. 345,610,000/-

The proposal mentioned in Lot-1 relates with the restoration / rehabilitation of original scope of work including dismantling, fabrication & erection of damaged portion of superstructure of existing towers along with stringing etc. whereas the proposal mentioned in Lot-2 relates with the rehabilitation of

captioned breakdown work with alternate proposal including insertion of 03 No. Towers in the river bed as per approved profile of Design NTDC Lahore etc. The bid evaluation committee in the BER has recommended the alternate proposal mentioned in Lot-II for attending the breakdown of captioned Transmission Line as the same Lot is long life scheme and by adopting this scheme there is less chances of break down on this portion of the Transmission Line. The Board was requested to accord approval for acceptance / approval of tender in respect of the only bidder M/S Mecons (Pvt) Ltd Lahore amounting to Rs. 345,610,000/- (Rupees: Three Hundred Forty Five Million Six Hundred and Ten Thousand Only) for Lot-2.

Upon the query of the Members about justification of quoted rates being reasonable, the PD (GSC) apprised the Board that the rates specifically for construction of 1500 mm dia pile foundation being major part of the works has been compared with contract executed at Jamshoro-Moro Section wherein rate for 1500 mm dia reinforced concrete pile comes to Rs. 238640/- per linear meter without casing, whereas, in the present rate M/s Mecons Lahore has quoted total rate of Rs. 250,000/- per linear meter with casing which is quite reasonable and competitive. The Board considered the matter at length and observed that the working paper presented to the Board is not properly prepared. The Members pointed out that the PPRA rules in case of single bidder have not been quoted and justification of rates quoted by the firm being reasonable has not been mentioned. Furthermore, comparison of specifications of the present under consideration work with that of the work executed at Jamshoro-Moro Section has not been provided in the presented working paper.

Decision.

The Board after detailed discussion instructed the CE (Dev) to present the case after attending above mentioned observations.

ii. Approval for Engineering Consultancy Services including Construction Supervision for Dismantling, Foundations Design, Construction of Pile foundation, Tie Beams, Pile caps, Erection, Stringing, Testing and commissioning of a portion of River crossing having a length of 2.435 km of 132-kv D/C Transmission line Sadiqabad – Guddu (Break down work).

The agenda was presented by Chief Engineer (Development) MEPCO. The Board was apprised that Executive Engineer (SS&T) Division MEPCO Multan vide letter # 10887-90 dated 22.01.2016, informed that on 22.01.2016 at 0445Hrs L-1 and L-2 at TPS Guddu tripped as a result of partial collapse of 03 No. towers No. 138 (special type tower), 139 & 140 (dead towers) of 132KV D/C Sadiqabad – Guddu Transmission Line. Tenders for the said rehabilitation work were publicly called and opened on 21.04.2016. The contractor with integrated working at site needs continuous guidance and watch as MEPCO presently have No experience for supervision of construction of pile foundations in running water of river crossings and erection of JKD type tower as well as 220-KV EG Type tower etc. along with stringing for crossing of river spans. For this purpose, Project Director GSC MEPCO Multan vide letters dated 30.03.2016 has requested following 03 No. reputed firms to submit their financial proposals for providing the Engineering Consultancy Services including construction supervision for the captioned rehabilitation project.

SR #	NAME OF FIRM
1	M/S Barqaab Consultant Lahore
2	M/S EnMasse (Pvt.) Ltd. Lahore
3	M/S Nespak (Pvt) Ltd Lahore

The financial proposals for engineering consultancy services including construction supervision for captioned breakdown project were opened on 07.04.2016 in the office of Project Director GSC MEPCO. 2nd Floor. Circle Office, Khanewal Road, Multan by the Bid Opening Committee in the

presence of representatives of the bidders. The bids were evaluated by a committee comprising of the following officers.

01	Chief Engineer (Development) PMU MEPCO Multan.	(Convener)
02	Project Director (GSC) MEPCO Multan	(Member)
03	Manager (Project Financing) PMU MEPCO Multan	(Member)
04	Manager (PS&C) PMU MEPCO Multan	(Member)

The Bid evaluation Committee evaluated the 03 Nos. Firms with the details as given below: -

SR #	NAME OF FIRM	Evaluated Price	Responsive / Non-responsive
1	M/S Barqaab Consultant Lahore	5,871,500	Responsive
2	M/S EnMasse (Pvt.) Ltd. Lahore	350,000	Non-responsive
3	M/S Nespak (Pvt) Ltd Lahore	4,221,641	Responsive

The Board was requested to accord approval for acceptance / approval of cost of consultancy services amounting to Rs. 4,221,641/- in respect of M/S NESPAK Lahore.

Decision

The Board referred the case to the Procurement Committee for its deliberation/ recommendations.

iii. Approval for procurement of Machinery items for establishment of new Reclamation Workshop at Bahawalpur & Vehari against Tender No 99 dated 05.01.2016.

The agenda was presented by Chief Engineer (P&E) MEPCO. The Board was informed that a Tender Notice for procurement of Machinery Items for Establishment of New Workshop at Bahawalpur & Vehari was floated in widely circulated in news papers after obtaining approval of Competent Authority. Tender opening Committee opened the tender on specified date & time i.e on 05.01.2016. Five (05) firms purchased the tender documents, participated in the tender, and quoted their tender rates in Rs. on FCS basis without GST.

Name of Firm	Transformer Oil Storage Tank 15000 Ltr	Transformer Dryin Oven Electric (Capacity 40 Transformers)	D-Hydration Plant 4000 Ltrs / Hours
	6 Nos	2 Nos	2 Nos
M/S Creative Electronics	1,063,500	4,200,000	4,940,000
M/S MEC Technology	680,000	3,000,000	2,700,000
M/S AYK (Pvt)	-	-	4,966,948
M/S Maqbool & Brothers	1,090,000	3,799,000	-
M/S Ikram Corporation	-	-	10,778,786

A Technical Committee of following members was constituted with the approval of Chief Engineer (P&E) to visit the premises of tender participants firms /workshop where subjected machinery items are to be manufactured / installed to assess the quality and working of said items besides the detail of their supplied Equipments to DISCOs.

- i) Addl: Manager (TRW) Convener
- ii) Addl Manager (P&E) Member
- iii) Addl: Manager (Tech) Member

The committee has given the following Recommendations for further procurement, whereas tender lowest firms were declared technically non responsive due to non availability of proper set up for manufacturing as per TRW Committee.

Description	Name of Recommended Firm	Committee's Justification	Proposed By Committee Rate p.u	Lowest Tender Rate (p.u)
Transformer Oil Storage Tank	M/S Creative	the performance, quality and capability for manufacturing of Oil Storage seems to be satisfactory as the firm has supplied the Oil storage Tank to GEPCO.	Rs.1,063,500	Rs.680,000
Transformer Drying Oven	M/S Maqbol & Brothers	The Firm is 2 ND Lowest in the tender and supplied the said items to 04 other DISCOs and PWF Lahore. The firm is also supplied in MEPCO in 2013 which is working quite satisfactory	Rs.3,799,000	Rs.3,000,000
D-Hydration Plant	-	No firm is recommended due to having deficit / relaxation in their provided specification	-	-

Tender Technical / Commercial Evaluation Committee has vetted the case for procurement of Machinery Items. The Board was requested to accord approval for procurement of following Machinery Items as per recommendations of Technical TRW Committee. The Procurement Cost would be amounting to Rs. 13.979 Million (excluding Taxes).

Description	Qty	Rate (p.u)	Value	Name of Firm
Transformer Oil Storage Tank	6	1,063,500	6,381,000	M/S Creative
Transformer Drying Oven	2	3,799,000	7,598,000	M/S Maqbool & Brother
Total			13,979,000	

Decision

Considering recommendations of tender Evaluation Committee, it is understood that entire bidding/procurement process conformed to PPRA Rules, and therefore, the Board accorded its approval for procurement & installation of Machinery Items i.e Transformer Oil Storage Tank & Transformer Drying Oven for establishment of New Workshop at Bahawal Pur & Vehari against Tender No. 99 dated 05.01.2016 amounting to Rs 13.979 Million (excluding GST).

iv .Approval for procurement of single phase static meters against tender No.141 dt 09.05.2016.

The agenda was presented by Chief Engineer (P&E) MEPCO. The Board was intimated that a Tender Inquiry for procurement of 200000 Nos. Single Phase Static Energy Meters for fiscal year 2016-17 was floated in widely circulated newspapers after obtaining approval from Competent Authority. The tender in question was opened by the Tender Opening Committee on scheduled date and time i.e 09.05.2016. Eight (08) Firms purchased the tender documents, whereas 06 (Six) firms participated in the tender opening process and quoted their per unit tender rates on bidding documents on FCS basis without GST, detail as below:-

Sr No	Name of Firm	Lot-I 50000	Lot-II 50000	Lot-III 50000	Lot-IV 50000
1	M/S Accurate Pvt Ltd	-	-	1650/-	1650/--
2	M/S Escort	-	-	1703/-	-
3	M/S Transfo Power	-	-	-	1650/-
4	M/S Pak Electron Ltd	-	1650/-	-	-
5	M/S KBK Electronics	1650/-	-	-	-
6	M/S Creative	1394/-	-	1376/-	1358/-

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Just prior to tender opening time, the following firms have dropped the discounted rate in separate envelope in tender box which is also signed by the tender opening committee and mentioned on the rate comparison list in addition to bid..

Name of Firm	Discounted Rates offered by the firms in separate sealed envelope before opening the tender (Not part of bid)		
	Lot-I	Lot-II	Lot-IV
M/s Accurate Pvt. Ltd.	-	Rs. 1349/-	Rs.1349/-
M/s KBK Electronics	Rs.1530/-	-	-

M/S Accurate (Pvt) Ltd vide Letter No ACCU/MEPCO-IP/ 004 dated 11.05.2016 has explained that their discount rate was not conditional and is quite in accordance with tender Opening Clause IT-18, Sub Clause 18.3 & 18.4. M/S Creative Electronics vide Letter No C.E.Co/2016/447 dated 21.05.2016 has informed that they are lowest bidder in Lot-1, Lot-III & Lot-IV to this tender, all other bidders formed an illegal cartel and gave an identical price of (Rs. 1650/- of Lot 1, III & IV) whereas M/S Creative has quoted the rate of (Lot-1, Rs.1394) (Lot-III, Rs.1376) (Lot-IV, Rs.1358) the quoted prices of M/S Creative are 20% lower than the prices of cartel. In original bids all participant firms have made cartel/ pooled with slight variation in rates except M/S Creative who broke the combination/ cartel, whereas, M/S Accurate (Pvt) Ltd added the 2nd envelope which is not accordance with PPRA Rule 36 (A) & tender condition IT.16.4 , IT-17 and 17.11. Moreover, M/S Creative Electronics vide letter No C.E. Co/2016 /477 dated 09.06.2016 has further reduced the rates up to Rs.1240/- p.u of quoted Lots i.e (i, iii, iv). Similarly in the (Lot-ii) M/S PEL has voluntarily reduce the rate from 1650/- to 1240/- p.u . The Previous Purchase Rate Comparison is as under:-

Present Tender Average Rate Rs 1240/-p.u	QESCO	MEPCO	FESCO	LESCO
		1650/-	1650/-	1650/-
	10/ 2015	01/ 2016	02/2016	01/ 2016
% Inc / Dec	-24.84			

The Status of Single Phase Static Meters are as under:-

Utilization during (2015-2016) 07/2015 to 05/2016	495,442	4,90,176 Tentative Used for whole year
Expected Demand for the year 2016-17	500,000	
Stock Balance dated 10.06.2016	110,000	
Material in Pipe Line dated 10 .06.2016	3500	
Balance Required for F.Y 2016-2017	386,500	

MEPCO has received very economic and competitive rate of Single Phase Meters as compared to previous purchase rate. Tender Technical .Commercial / Financial Evaluation Committee has vetted the case for above procurement To save MEPCO from any shortage of meters during 2016-17 and financial burden, it is better to purchase 03 (three) Lac Single Phase Static Meters. As per Tender Condition mentioned on Bid Schedule, MEPCO reserves the rights to increase / decrease 50% quantity before issuance of LOI. MEPCO average per month utilization is 43000 Nos per month. The present stock would hardly meet with the demand of field formation for 03 Months. The proposed procurement is as under.

	Qty of Meters	Per unit (Rs)	Total Value	Name of Firm
LOT-I	75000	1240/-	93,000,000	M/S Creative
LOT-II	75000	1240/-	93,000,000	M/S PEL
LOT-III	75000	1240/-	93,000,000	M/S Creative
LOT-IV	75000	1240/-	93,000,000	M/S Creative
	Total		372,000,000 372.00 (Million)	

The procurement cost of 300000 Nos. Single Phase Static Meters @ Rs. 1240/- p.u would be amounting to Rs 372.00 Million (Excluding GST). The Board was requested to accord its approval for above procurement.

Decision

Considering recommendations of tender Evaluation Committee, it is understood that entire bidding/procurement process conformed to PPRA Rules, and therefore, the Board accorded its approval for procurement of 300000 Nos. Single Phase Static Meters against Tender No. 141 dated 09.05.2016 amounting to Rs 372.00 Million (excluding GST) @ 1240/- per unit from M/S Creative Electronics & M/S PEL as proposed.

v. Approval for procurement of testing equipments for establishment of new workshop against tender No.101 dated 05.01.2016.

The agenda was presented by Chief Engineer (P&E) MEPCO. The Board was apprised that tender inquiry regarding procurement of Machinery Items for Establishment of new transformers Reclamation Workshops at Bahawalpur & Vehari was floated as per demand of Addl: Manager (P&E) MEPCO and after obtaining approval from Competent Authority. The tender in question was opened on scheduled date and time i.e 05.01.2016. Eleven Firms purchased the tender documents whereas Eight firms participated in the tender opening process and quoted their per unit rates on FCS basis without taxes, The detail as below:

Name of Firm	Power Measuring Set	High Voltage Testing Set	T.T.R Set	Megger	T/Oil Testing Set	Induced Voltage Set
	2 Nos	2 Nos	2 Nos	2 Nos	2 Nos	2 Nos
M/S FMS Trading	-	-	1,647,000/- Megger	-	1,257,000 Megger	-
M/S MEC Technology	700,000	275,000	300,000	95,000	300,000	300,000
M/S Bismillah Enterprises	-	-	775,000 German Make	-	675,000 Ukrain make	-
M/S AYK (PVT) Ltd	206,150 France	-	275,800 USA	61,075 France	770,700 Austria	-
M/S Electrum	1,750,000 China	550,000 China	975,000 China	65,000 China	1,208,237 China	825,000 China
M/S Creative Elect	2,612,500	530,000	330,000	69,000	400000	1,800,000
M/S Uno Com Corp	1,330,000 USA 188,000 Japan	920,000 China	860,000 USA 396,000 USA	79,500 Japan 240,000 Japan	998,000 Megger UK 752,000 Austria 410,000 China	-
M/S Continental Trading Corp	-	-	323,000 China 381,000 China 993,000 USA	-	-	-

The file was sent to TRW Technical/ Evaluation Committee for comments/recommendations being the end user. Additional Manager (P&E) & XEN TRW Technical Committee has recommended to purchase the following items on technical ground from other than lowest firms.

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The Item wise detail with justification of recommendations by TRW Committee is as under:-

Description	Tender Qty	Firm's Name	Committee Recommendations with Justification	Committee Recommended Rate per unit	Lowest Tender Rate (p.u)
Power Measuring Set	02	-	Specification revised	Re tendering Recommended	-
High Voltage Testing Set	02	M/S Electrum	Technical Specification of items provided by the firm is justified, whereas the quality of lowest quoted item is not up to the mark	Rs..550,000/-	Rs.275,000/-
Induced Voltage Set	02	M/S Electrum	Technical Specification of items provided by the firm is justified, whereas the quality of lowest quoted item is not up to the mark	Rs. 825,000/-	Rs.300,000/-
T.T.R Set (USA)	02	M/S AYK	Technically Recommended	Rs.275,800/-	Lowest
Megger	02	-	Available in Regional Store	-	-
Transformer Oil Testing Set	02	M/S Uni Com	Megger UK Model OTS 80PB is reliable and justified as the same model is using in other DISCOs & Transformers workshops	Rs.998,000/-	Rs.300,000/-

Tender Technical / Commercial Evaluation Committee has already vetted the case for procurement of following testing equipments as per recommendation of TRW Committee.

Description	Qty	Rate (P.U)	Total Value	Name of Firm
High Voltage Testing Set	2 Nos	550,000	1,100,000	M/S Electrum
Induced Voltage Set	2 Nos	825,000	1,650,000	M/S Electrum
T.T.R Set (USA)	2 Nos	275,800	551,600	M/S AYK
Transformer Oil Testing Set	2 Nos	998,000	1,996,000	M/S UniCom
		Total	5,297,600	

The Board was requested to accord its approval for procurement of proposed testing equipment for establishment of New Reclamation Workshop at B.Pur & Vehari. The Procurement Cost of above items would be amounting to Rs.5.297 Million (Excluding Taxes).

Decision

Considering recommendations of tender Evaluation Committee, it is understood that entire bidding/procurement process conformed to PPRA Rules, and therefore, the Board accorded its approval for procurement of proposed testing equipment amounting to Rs.5.297 Million (excluding Taxes) for establishment of new reclamation workshops at B.Pur & Vehari.

vi. Approval of tender for 01 year contract for reclamation of regular damaged distribution transformers (T. No. 154).

The agenda was presented by Chief Engineer P&E. The Board was apprised that tender for 01 year Contract of Reclamation of regular Damaged Distribution Transformers with or without damaged tubes was floated in widely circulated news paper with the approval of competent authority. Tender Opening Committee has opened the tender on schedule date i.e on 31.05.2016. Five firms purchased the tender documents, participated in the tender and quoted their per unit rate excluding taxes, The firm wise detail of tender quoted rate is as under.

W

Tentative tender Qty.10-kva =50 Nos 15kva=123 Nos 100-kva=486 Nos 200-kva= 13 Nos Total = 972

Name of Firm	Capacity	Per Unit Reclamation Charges on Ex Works Basis (Excluding Taxes)			Two way Transportation Charges		
		Reclamation Rates without Tube Replacement	Reclamation Rates with tube Replacement	Rate Per Elliptical Tube Replacement	R/S Multan	R/S Sahiwal	F/S R.Y.K
M/S Swat Industry	100-kva	95000	105000	300	1500	500	3000
	200-kva	143000	158000	350	1500	500	3000
M/S Transfo Care	200-kva	143000	158000	350	500	1500	3000
M/S Transwave	200-kva	143000	158000	350	1500	500	3000
M/S Hammad Engg:	10-kva	44000	45000	100	100	250	500
	15-kva	50000	52000	150	200	350	600
	100-kva	91400	102000	300	400	700	1000

Addl: Manager (TRW) MEPCO has informed that 30-35 Nos Average transformers of different capacities are being received in Reclamation Workshop and 18 Nos transformers of different capacity are being reclaimed on daily basis. To over come the situation in Hot Summer Season, this office has already made contract for repair of Normal / Regular Damaged Distribution Transformers with tender lowest firm M/S Swat Industry after adopting tendering process and as per approval of BOD MEPCO . Manager (MM) has allocated the 799 Nos 100& 200 kva transformers against Running on 2-phase, The defective transformers removed from site against above allocation are expected to be received in store and reclamation of which is required to meet up hot summer season demand which is not cover up in already made agreement. Beside above capacity of transformers, 10 & 15kva defective transformers are also lying in Regional Store Multan for repair and no contract is awarded for repair of these transformers. In case of Issuance of new transformers for restoration of supply in Hot Summer Season to avoid public protest will result in tremendous increase of the maintenance Head expenditure, to meet up demand of field formations regarding reclamation & to avoid issuance of new transformers for restoration of supply of effected area, the tender was floated. The present tender reclamation rates with tube replacement are as under:-

The rate Comparison with MEPCO and other DISCOs is as under.

	10-kva	15-kva	100-kva	200-kva
MEPCO Present Tender Rate 31.12.2015	44000	50000	91400	143000
Prev: MEPCO Recl: Contract Rate Already Approved by BOD	-	-	91400	143000
PWF Lahore Average Rate	-	-	120,000	160,000

MEPCO has not made any contract for repair of 10kva & 15 kva transformers. The present tender rates are lower than previous Reclamation Contract rate of MEPCO which are approved by BOD MEPCO. Through Circular Resolution No 05/2016 dated 18.04.2016. Tender Technical / Commercial Evaluation Committee has vetted the case for awarding the 01 Year Contract to the tender lowest firms.

The Board was requested to accord its approval for award of 01 year Reclamation Contract or till the reclamation of 972 Nos different capacity damaged transformers whichever comes earlier from the tender lowest firms On the following rates Including Transportation Charges up to Regional Store Multan . However while issuing the contract firm's previous performance & Reclamation Capacity will be kept in view in MEPCO Interest.

Name of Firm	Capacity	Per Unit Reclamation Charges Ex Works Basis (Excluding Taxes)			Two way Transportation Charges		
		Reclamation Rates without Tube Replacement	Reclamation Rates with tube Replacement	Rate Per Elliptical Tube Replacement	R/S Multan	R/S Sahiwal	F/S R.Y.K
M/S Swat Industry, M/S Transwave, M/S Transforcare (Proportionate basis)	200-kva	143000	158000	350	1500	500	3000
M/S Hammad Engg:	10-kva	44000	45000	100	100	250	500
	15-kva	50000	52000	150	200	350	600
	100-kva	91400	102000	300	400	700	1000

The Capacity & Quantity of damaged transformers will be as per actual receipt from field formations. The Elliptical tube replacement cost will be applicable where tube of transformers tank are damaged,. However while issuing the contract , firms previous performance & Reclamation Capacity will be kept in view in MEPCO Interest .The tentative cost would be amounting to Rs 108.365 Million (Excluding GST).

Decision

Considering recommendations of tender Evaluation Committee, it is understood that entire bidding/procurement process conformed to PPRA Rules, and therefore, the Board accorded its approval for award of 01 year contract for reclamation of regular damaged distribution transformers (T. No. 154) as requested above.

AGENDA ITEM NO.6

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

- i. **Approval for engagement of 80 No. Daily Wagers for operation of transformer reclamation workshop MEPCO Vehari & Bahawalpur.**
- ii. **Approval of Fees for Departmental Promotion Examination conducted by Director (EXAM) WAPDA House, Lahore.**
- iii. **Approval for out sourcing of Pvt. Security Guards**
- iv. **Approval for hiring of consultant for reviewing the organizational structure (Yardstick) of MEPCO.**
- v. **Approval for creation of posts under ERP (Enterprise Resource Planning) in MEPCO**
- vi. **Approval for re-fixation of seniority/protection of pay and pensionary benefits in respect of Mr. Saif Yousaf LS-I of MEPCO 2nd Sub-Division Dharanwala.**
- vii. **Approval for adoption of PEPCO's Office Memorandum No.GM (HR)/HRD/A-332/1106-22 dated 05.04.2016 regarding Family Pension.**
- viii. **Approval for grant of special allowance @ Rs.10000/- per month to officers of Commercial Cadre w.e.f 01.09.2009 instead of 25.10.2012.**
- ix. **Approval for Payment of Ex-Gratia compensation amounting to Rs.25,00,000/- (2.5 million) to the family of Mr. Abdul Razzaq S/O Ghulam Qadir, Ex-ALM/LM-II (Non-Fatal Accident) O/O SDO (OP) MEPCO Sub-Division Jatoi.**

The Board referred the above mentioned Agenda Items to HR Committee for its deliberation/ recommendations.

AGENDA ITEM NO.7

Any other points with the permission of the chair

- a. **Approval for appointment of consultant for Engineering Consultancy Services including Bid evaluation, construction supervision & approval of technical Data / drawings for 132-kv Grid Station and transmission Line under ADB Tranche-IV saving Projects.**
- b. **Approval for renewal of consultancy services agreement with the office of General Manager (Services Division) NTDC, WAPDA House, Lahore for carrying out Bid evaluation of the tenders, approval of technical data / drawings of equipment / material required for construction of 132KV Grid Station and T/Lines etc.**

The Board referred the above mentioned Agenda Items to Procurement Committee for its deliberation/ recommendations.


- c. **Approval for design proposal for external electrification of "03-Marla" Housing Scheme situated at Chak # 41-F, Chishtian under Punjab Housing & Town Planning Agency (PHATA)**

The agenda was presented by Chief Engineer (P&E) MEPCO. The Board was informed that Punjab Housing & Town Planning Agency (PHATA), Sub Region Bahawal Pur has developed a 03-Marla housing scheme at Chishtian for poor people and submitted the design for external electrification of said Housing Scheme through their Consultant M/S Anwar Consultant Faisalabad. Total ultimate demand of the scheme worked out 1958.96 KW or 2304.66 KVA equivalents to 121 Amps. Electrification of the scheme is proposed through 01 No. 11KV independent feeder thus the total project cost worked out is Rs. 47.608 Million (Electrification Cost Rs. 42.370 Million, Grid Sharing Cost Rs. 5.237 Million & Design Vetting Charges Rs. 0.635 Million). Furthermore, the Board was apprised that the Deputy Director PHATA vide letter No. 967 dated 30-05-2016 has requested that a provisional demand notice amounting to Rs. 20 Million may kindly be issued so that funds released by Govt. of Punjab, HUD & PHED may be utilized. The Board was requested to accord administrative approval for sanction of External electrification cost to the tune of Rs. 47.608 Million and issuance of provisional demand notice amounting to Rs. 20 Million as per request of Deputy Director PHATA.

Decision

The Board accorded its administrative approval for sanction of external electrification cost to the tune of Rs. 47.608 Million in respect of "03-Marla" Housing Scheme situated at Chak # 41-F, Chishtian under Punjab Housing & Town Planning Agency (PHATA) and issuance of provisional demand notice amounting to Rs. 20 Million as per request of Deputy Director PHATA.

Meeting ended with thanks to and from the Chair.


(Engr. Sajid Yaqoob)
Company Secretary MEPCO