

**SUKKUR ELECTRIC POWER COMPANY LIMITED  
(SEPCO)**



**Bidding Documents**

**REQUEST FOR PROPOSAL (RFP)**

**FOR HIRING CONSULTANCY SERVICES FROM CATEGORY-  
A FIRMS RATED BY STATE BANK OF PAKISTAN  
REGARDING PROCUREMENT, EVALUATION  
IMPLEMENTATION OF SAP ERP & QUALITY ASSURANCE &  
INTERNAL CONTROL FOR SAP-PROCESS DESIGN IN SEPCO**

**Tender No. SEPCO/ERP-2**

**TO BE OPENED ON: 18-02-2019 AT 12.30 P.M**

[Total Pages: 33]

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## KEY INFORMATION SHEET

| Sr. # | Key Information  | Key Information Details  |
|-------|--|--|
| 1     | Bidding Document   | Download Bidding Document / RFP free of cost from SEPCO official website<br><a href="http://www.sepco.com.pk">www.sepco.com.pk</a>   |
| 2     | Bid Security   | Each Bidder shall submit a Bank Draft/Pay Order in the name of the CEO, Sukkur Electric Power Company – SEPCO, for an amount of PKR. 100,000 (Rupees One Lac only), as Bid Security. Bid security shall be valid for next 28 days from the last date of bid validity.  |
| 3     | Last date for Submission of Bids “Deadline for Submission of Bids” | <b>18-02-2019 at 12.00 P.M</b>   |
| 4     | Bid Validity Period  | The Bids must remain valid for 60 days, starting from the date of Opening of the Bids.   |
| 5     | Opening of the Bids  | (1) The Bids (Technical Proposals) shall be opened publically at 12:30 pm on the same day as the Deadline for Submission of Bids at the O/O Director General (Admin), SEPCO, Admin Block, Thermal Power Station, Old Sukkur, in the presence of the Procurement Committee and the authorized representatives of the Bidders.<br><br>(2) The Bids (Financial Proposals) shall be kept sealed. The Financial Proposals, of technically qualified Bidders, shall be opened at the date, time and venue determined, announced and communicated by SEPCO. |
| 6     | Evaluation of Technical and Financial Bids                         | All Bids will be evaluated in accordance with the evaluation criteria prescribed in the Bidding Document.<br>Only technically qualified Bidders will be informed publicly, in writing, about the opening of Financial Proposals.   |
| 7     | Performance Security   | Upon acceptance of LOI, the successful Bidder shall be required to provide a Performance Security in shape of Bank Guarantee of the amount of ten percent (10%) of the total Contract Price, from a scheduled bank, having minimum credit rating of AA, within fourteen (14) days. Performance Security shall remain valid for one year after the signing contract.  |

|    |                       |   |
|----|-----------------------|---|
| 8  | Steering Committee    | As notified or modified in writing by SEPCO.  |
| 9  | Bid opening Committee | Procurement Committee, O/O Manager Material Management (MM), SEPCO, Admin Block, Thermal Power Station, Old Sukkur.   |
| 10 | Contact Information   | <p><b>Address:</b><br/> <b>Director General (Admin) SEPCO,</b><br/> <b>Admin Block, Thermal Power Station, Old Sukkur,</b><br/> <b>Sukkur.</b></p> <p><b>Email:</b>     <a href="mailto:dgadminsepco@gmail.com">dgadminsepco@gmail.com</a></p> <p><b>Telephone:</b> +92-71-5621603<br/> <b>Fax:</b>         +92- 71-9310797</p> |
| 11 | Website               | <a href="http://www.sepco.com.pk">www.sepco.com.pk</a>  |

## **PART I: INTRODUCTION**

The distribution company SEPCO (Sukkur Electric Power Company) has been formed by bifurcating HESCO (modified) so that the areas of operation that were entirely under the jurisdiction of HESCO have now been divided between the two DISCOs. SEPCO is a newly created company via notification No. MDP / GM /HR /Dir/ (O&M) /PEPCO /1632-99 Dated: 26.07.2010 and started functioning with effect from 16.08.2010. HESCO has surrendered its historical limits which now fall under the jurisdiction of SEPCO and a NOC was issued in this regard. The new company has been incorporated under the companies' ordinance with the S.E.C.P on 23.11.2010. NEPRA has admitted SEPCO's application for consideration of grant of a Distribution License and published it in the newspapers on 07.04.2011, for Public Hearings. NEPRA has allotted Registration No. LAD-35 to SEPCO and issued it the Distribution License No. 21 / DL/ 2011 dated 18.08.2011.

SEPCO distributes and supplies electricity to about 0.7 million customers within its territory with a population over 10 million and around 56,300 Sq. KM area under a Distribution License granted by National Electric Power Regulatory Authority (NEPRA) pursuant to the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Act). Geographical service area of SEPCO comprises Sukkur, Ghotki, Khairpur, Kashmore@ Kandhkot, Jacobabad, Shikarpur, Larkana, Kamber @ Shahdad Kot, Dadu & N.S Feroze portions of Rahimyar Khan & Shaheed Benazir Abad.

SEPCO is implementing following SAP ERP modules

1. Accounting & Financial Information System (FI-CO)
2. Human Resources Management
3. Material Management System (MM)
4. Project Management & Project Costing System (PS)

### **Phase-1:**

**Inception Report** – Complete Implementation Road & Strategy Identifying Hardware, RDBMS, Software, LAN/WAN Requirements & its RFPs.

## 1. GENERAL INFORMATION

The firm will be selected by SEPCO after an open and transparent bidding process. Salient features of the process will be:

- a. The bidding process shall be a single stage, two envelope process and the applicants will be requested to submit their technical and financial proposals in two separate envelopes. The envelopes shall be clearly marked as “Technical Proposal” and “Financial Proposal” in bold and legible letters to avoid confusion.
- b. The technical and financial proposals shall be submitted for the entire project.
- c. The proposals shall be clear and elaborative. Different sections of the proposals shall be separated using color separators, flags or tags.
- d. Proposals shall be submitted in English language.
- e. All prices mentioned in the Financial Proposal shall be in Pakistan Rupees (PKR).
- f. Each page of the Technical and Financial Proposal shall be signed by an authorized representative of the bidder. The representative’s authorization shall be confirmed by power of attorney accompanying the technical proposal.
- g. SEPCO reserves the rights to accept or reject all of the proposals submitted at any time prior to the acceptance of a bid or proposal, without assigning any reason thereof. The procuring agency shall incur no liability for rejection of any bid or proposal.
- h. The costs of preparing the proposal and of negotiating the contract, including visits for discussion with SEPCO are not reimbursable.
- i. Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the applicants who submitted the proposals or to other persons not officially concerned with the process, until the successful applicant has been notified and the contract has been awarded.
- j. The firm selected as Consultant shall neither be the implementer nor its subsidiary.

## 2. TECHNICAL PROPOSAL

For preparation of Technical Proposal, applicants are expected to go through the ToR, RFP and other relevant documents available on SEPCO’s website. Technical Proposals shall be in compliance with the requirements laid down in the RFP and ToR. The technical proposal shall include;

- a. **Covering Letter;** A covering letter from the Head of the company or an authorized representative of the applicant entailing the objectives and the executive summary shall be attached with the proposal.
- b. **Firm’s Profile/Business Description;** Brief description of the firm’s, major areas of expertise, outline of work experience with references to work on similar projects, name of the client(s), assignment duration shall be provided in the proposal.
- c. **Team Composition;** Team composition, their roles and responsibilities in the context of assignment.
- d. **CVs of the team members;** CVs of the relevant professional staff shall be attached. The key information in the CV shall include the current assignment, relevant working experiences, degree of responsibility held at various assignments and the details of relevant expertise.

- e. **Description of the methodology and work plan;** Detailed methodology, work plan and list of activities should be proposed. The applicant shall also list down the KPIs and tools that will be required to substantiate the quality and the progress of the project.
- f. **Pre-Requisites Selection:**

The firm should meet the following prerequisites;

- 1) The firm must be A ranking firms as per State Bank of Pakistan ranking.
- 2) The firm must have deep knowledge of operational /functional and technical processes of power distribution companies (i.e. K-Electric, FESCO,IESCO,LESCO, MEPCO, GEPCO etc.. ).
- 3) Must have ERP implementation experience of private, public sector large organization of required module.
- 4) Must have audit and RFP preparation experience of ERP implementation at power sector
- 5) At least 3-5 years of experience in the field of consultancy services regarding evaluation of SAP ERP implementation, quality assurance & internal control for SAP-process design preferably in Power Sector utility.
- 6) Sound financial capacity to undertake the assignment.
- 7) Must be well versed with international best practices relating to consultancy services regarding evaluation of SAP ERP implementation, quality assurance & internal control for sap-process design.
- 8) Ability to understand the proposed project environment.
- 9) Must be able to demonstrate adequate in-house technical understanding and experience for undertaking required assignment.
- 10) Must have adequate administrative and organizational experience and knowledge to function and operate effectively with political, economic and legal environment.

- g. **Responsibility Matrix;** The firm shall provide detailed Responsibility Matrix providing information about the task distribution.
- h. **Contact list;** The contact list of the concerned staff for this project shall be attached.
- i. **Additional Information** (If Any)

### 3. FINANCIAL PROPOSAL

Financial Proposal expressed in Pakistani Rupees exclusive of all tax, should be prepared on a “Competitive” basis.

The financial proposal shall be clearly marked with the following:-“**FINANCIAL PROPOSAL**”  
“**Do Not Open With Technical Proposal**” The Financial Proposal shall include the following;

- a. The firm shall submit a lump sum price, with item-wise breakup.
- b. The firm shall submit (along-with the financial proposals) the NTN as per the applicable govt. rules/regulations.
- c. The proposal must remain valid for a period of 60 days after the submission date.

#### **4. BID SECURITY**

- a. Each Bidder shall submit a Bank Draft/Pay Order in the name of the CEO, Sukkur Electric Power Company – SEPCO, for an amount of PKR. 100,000 (Rupees One Lac only), as Bid Security. Bid security shall be valid for next 28 days from the last date of bid validity.
- b. The Bid Security shall be enclosed in a separately sealed envelope clearly marked with the name of the Project, Applicant Name and the text “Bid Security”. This envelope should be included with the technical proposal.
- c. Bid security of the successful and the unsuccessful bidders will be released within 20 days of contract signing with the successful bidder.

#### **5. SUBMISSION, OPENING AND RECEIPT OF PROPOSALS**

The original proposal (Technical and Financial Proposal) shall be prepared without any interlineations or overwriting. Further please note;

- a. Two printed copies and one soft copy on a CD/ DVD and USB (separate set for Technical and Financial proposal) shall be submitted. Each Technical and Financial Proposal shall be marked “ORIGINAL” and/or “COPY” as appropriate.
- b. The envelopes shall be marked separately as “Technical Proposal” and the “Financial Proposal” in bold and legible letters to avoid confusion.
- c. Technical and Financial proposals must be delivered at the address given below on or before **12:00 PM.18-02-2019.**

**Director General Admin  
Sukkur Electric Power Company,  
Admin Block, Thermal Power Station, Old Sukkur  
Tel #:+92- 71-5621603  
Fax #: +92 - 71-9310808**

- d. Upon submission, Technical Proposals shall be opened at **12:30 PM, 18-02-2019** in front of all the applicants.
- e. The evaluation of Technical Proposals will be carried out first as per the evaluation criteria given in section 6. The results of the technical evaluation will be communicated to all the applicants. The financial proposals of the bidders who do not technically qualify will be returned unopened.
- f. Financial proposals of the technically qualified applicants will be opened publicly, for which the time and date will be communicated to the qualified applicants.



## 6. TECHNICAL EVALUATION CRITERIA

The evaluation committee appointed by SEPCO will evaluate the proposals on the basis of their compliance with the RFP and ToR, applying the evaluation criteria, sub-criteria and the point system as specified below. A proposal shall be rejected at this stage if it does not respond to the important aspects of the RFP and Terms of Reference or if it fails to achieve the minimum score indicated in Table I:

### Audit and RFP Preparation Experience

| Sr. No.                                | Description   | Points     |
|--|---|------------|
| 1                                      | Number of projects completed relating consultancy services regarding evaluation of SAP ERP implementation, quality assurance & internal control for sap-process design of an electric utility.<br>3 Projects or more (25 Points)<br>1- 2 Projects (15 Points)<br>otherwise (0 Points)   | 25         |
| 2                                      | Project Manager Experience relating to consultancy services regarding evaluation of SAP ERP implementation, quality assurance & internal control for sap-process design of Electric Utility.<br>2 Projects or more (25 Points)<br>1 Projects (15 Points)<br>otherwise (0 Point)   | 25         |
| 3                                      | Proposed Project Management Team<br>70% of whom has completed 2 consultancy services regarding evaluation of SAP ERP implementation, quality assurance & internal control for sap-process design of an electric utility (25 Points)<br>70% of whom has completed 1 consultancy services regarding evaluation of SAP ERP implementation, quality assurance & internal control for sap-process design of an electric utility (15 Points)<br>otherwise (0 Point) | 25         |
| 4                                      | HR provided by the Consultancy firm to carry out the tasks mentioned in this ToR, should have relevant domain knowledge (like SAP FI-CO, MM & PS modules certification).<br>≥ 5 persons (25 Points)<br>3- 4 persons (15 Points)<br>otherwise (0 Point)  | 25         |
| <b>Total</b>                           |   | <b>100</b> |
| <b>Minimum Qualifying score is 70%</b> |   |            |

The Financial Bids of only those responding bidders will be opened who obtain minimum 70% score to qualify. Financial Bids of bidders not meeting the evaluation criteria will be returned unopened.

## 7. AWARD OF CONTRACT

The contract will be awarded to the “Technically Qualified” and “Highest Marks” obtained bidders according to following criteria.

## 8. FINANCIAL & TECHNICAL EVALUATION CRITERIA

- (1) A Single stage two envelopes procedure is utilized in evaluation of the Bids, with evaluation of the Technical Proposal being completed prior to any Financial Proposal being opened and compared. The total points for Bids evaluation out of which the Technical Proposal will carry 100 points and Financial Proposals will carry 100 points. The Financial Proposal of the Bids will be opened only for submissions that passed the minimum technical score of 70% (70 points) of the obtainable score of 100 points in the evaluation of the Technical Proposals. If the technical component achieves 70% points, the Bid will be considered as responsive otherwise non-responsive. The financial proposal of non-responsive bidder will not be opened.
- (2) All the responsive bidders will be loaded with 70% or above upto 100% on the basis of their qualification. The ratio of Technical and Financial Proposal is (70: 30) respectively.

### For example

- (1) Bidders W, X, Y and Z achieved the technical score 70, 80, 80 and 90 respectively.
- (2) Bid Prices of W, X, Y and Z are 10, 15, 10 and 10 in Million respectively.

### TECHNICAL AND FINANCIAL EVALUATION FORMULA OF ABOVE EXAMPLE

| Bidder Name | Technical Score (70% Passing score) | Technical Points | Financial Bid Price (in millions) | Financial Proposal Points (Weighted) | Final Merit Points | Final Results          |
|-------------|-------------------------------------|------------------|-----------------------------------|--------------------------------------|--------------------|------------------------|
| Column Name | A                                   | B                | C                                 | D                                    | E                  | F                      |
| Formula     |                                     | =A x 70 / 100    | Bid Price                         | =Lowest C / C X 30                   | =B + D             | Highest E Column       |
| W           | 70                                  | 49               | 10                                | 30                                   | 79                 | 3 <sup>rd</sup>        |
| X           | 80                                  | 56               | 15                                | 20                                   | 76                 | 4 <sup>th</sup>        |
| Y           | 80                                  | 56               | 10                                | 30                                   | 86                 | 2 <sup>nd</sup>        |
| Z           | 90                                  | 63               | 10                                | 30                                   | 93                 | 1 <sup>st</sup> Winner |

**TERMS OF REFERENCE (TOR)**

**FOR HIRING CONSULTANCY SERVICES FROM CATEGORY-A  
FIRMS RATED BY STATE BANK OF PAKISTAN REGARDING  
PROCUREMENT, EVALUATION IMPLEMENTATION OF SAP  
ERP & QUALITY ASSURANCE & INTERNAL CONTROL FOR  
SAP-PROCESS DESIGN IN SEPCO**

## **PART II: TERMS OF REFERENCE**

### **A- General Terms of Reference (TORs)**

- i. To point out deficiencies in existing RFP document and amend/edit it accordingly.
- ii. Must identify potential risks related to ERP implementation and recommendations to mitigate. (Expected hurdles for infrastructure development, ERP modules implementation at each department level.).
- iii. During ERP implementation ensure all requirements / process reengineering has been done as defined in RFP.
- iv. Also ensure to prevent implementor from getting extra amount on the name of change requirement.
- v. Provide recommendations regarding IT department's capacity building to avoid vendor dependency at operational level.
- vi. Also identify IT infrastructure passive work to avoid any delays in project implementation.
- vii. Identify right time and schedule for IT infrastructure development for hosting ERP applications for operational and testing usage.
- viii. Requirements of HR department in addition to point xvi
- ix. Requirements of Finance Department.
- x. Requirements of Material Management Department.
- xi. PMO requirements.
- xii. Any additional requirement.
- xiii. To perform data quality reviews including fraud detection techniques, verification of interfaces, data quality assessment and cleaning, complex algorithms and verification of reports
- xiv. To evaluate the potential risks of undetected errors, fraud, or material misstatement to the financial and operating data when business functions and users have incompatible, elevated or powerful access to the system;
- xv. To review critical system parameters settings, verify key user accounts and profiles, and assess the authorization list for sensitive transactions;
- xvi. To suggest SEPCO regarding HR and business process re-engineering (To-Be) requirements for successful SAP ERP implementation and integration as well as for adoptive and sustainable post implementation SAP solution utilization.
- xvii. Timeline for achieving the deliverables mentioned in this TOR should be in accordance with the timeline of the main SAP ERP implementation Project.
- xviii. To suggest SEPCO regarding need & procurement of Hardware as essential for implementation of complete SAP ERP system;
- xix. To evaluate proposal / RFP of SAP ERP bidder & suggest the SEPCO regarding its need to implement whole ERP system and its customization and trouble shooting as per SEPCO requirement.

**B- Quality Audit:** SAP system Audit from a functional and process perspective.

- i. Check whether there is any gap between the requirements (BBP defined processes) and actual implementation in SAP.
- ii. Review list of customizations and confirm whether there are no unreported customizations.
- iii. Analyze how effectively the SAP non-standard processes, if any have been implemented.
- iv. Analyze whether, there are avoidable duplication, complexity and redundancy in the system.
- v. Prepare detailed action plan to bridge the above gap, if any and prioritization of the same through appropriate tools & techniques.
- vi. Check whether all BBP processes that have been mapped to SAP processes are in line with SAP “best practices”.

**C- Security & Control Audit:** SAP System Audit from the internal controls, security, and interface perspective.

- i. Reporting on the implementation of Internal Controls.
- ii. Checking the security and authorization design for the SAP system.
- iii. Reporting on the design practices and methodologies adopted in architecting the interfaces.
- iv. Reporting on System Administration Audit, Business process Audit & Data Protection Audit.

**D- Technical Audit**

- i. System Performance:** System performance check based on hardware, network and applications parameters (using suitable software tools if necessary) and recommend improvements.
- ii. Obsolescence:** Check whether the OS and database in use are capable of meeting upgrades of SAP and recommend future road map for these products.
- iii. Evaluation of Back-up Management:** Evaluate the Back-up Management and recommend improvements.

**E- SAP modules to be covered:**

The following SAP modules would be covered under the SAP Audit & optimization as described in previous sections of the RFP. The composition of Consulting Firm’s team for the engagement shall be based on the experience and expertise required for the relevant modules in each work-stream

1. Accounting & Financial Information System (FI-CO)
2. Human Resources Management
3. Material Management System (MM)
4. Project Management & Project Costing System (PS)

Module wise reports with recommendations of objective course correction in specific areas should be provided. Effort should be made to associate with the implementer so that consensus solutions may be proposed where feasible.

## **1. OBLIGATIONS OF THE CONSULTANT**

SEPCO will nominate a Project Manager/Coordinator to liaise with the Consultant. The Consultant shall work in close coordination with the Project Manager/Coordinator, exchange information regarding progress of the consultancy and takes his/her advice where ever required.

- The consultant will sign a Non-Disclosure Agreement with SEPCO and will treat all SEPCO data as highly classified.
- The consultant will produce original work and will utilize maximum resources to ensure accuracy and speed of data/information collection.
- All published/web sources utilized will be clearly stated/declared.

## **2. TIME FRAME**

The time frame for implementation of ERP is to be developed by the consultant or to be evaluated where ever provided by the implementors in their proposals.

### 3. PAYMENT SCHEDULE

Payment schedule will be based on the deliverables in Pak. Rupees.

| Sr. No. | Milestone   | Percentage Amount |
|---------|---|-------------------|
| 1       | 10% of the contract price will be paid as an Advance Payment for catering to the mobilization expenses on receipt of bank guarantee from a scheduled bank, having minimum credit rating of AA equal to the advance amount. The bank guarantee should be valid till the completion of this contract. | 10%               |
| 2       | On submission of Final report and acceptance certificate by SEPCO steering committee from the bidder that all aspects have been covered according to the ToR of this RFP till the GO LIVE phase-I (Roll Out Plan) of the main ERP implementation Project.   | 40%               |
| 3       | On submission of Final report and acceptance certificate by SEPCO steering committee from the bidder that all aspects have been covered according to the ToR of this RFP till the GO LIVE phase-II & Phase-III (Roll Out Plan) of the main ERP implementation Project.                              | 50%               |

Payment will be made by Finance Director, SEPCO, Sukkur on submission of the following documents

1. Invoice in triplicate having National Tax Number.
2. A certificate to the effect that the invoiced amount has not been claimed or received earlier (Non Payment Certificate).
3. Sales Tax Invoice (Sales Tax will be charged if applicable).
4. Final report and acceptance certificate by SEPCO steering committee phase wise mentioned in Payment Schedule

**Note:** Sales Tax will be charged (if applicable). Payment of Sales Tax will be made on production of proper sales tax invoice.

#### **4. PERFORMANCE GUARANTEE**

The successful bidder shall provide a Performance Bank Guarantee equal to 10% of the contract price through a scheduled bank within fourteen (14) days of signing of the Contract. Performance Security shall remain valid for one year after the signing of contract.

#### **5. TAXES**

The Bidder shall be subject to all taxes as per laws of Pakistan as amended from time to time.

#### **6. LAWS AND REGULATIONS**

The Contract shall be governed by the laws of the Islamic Republic of Pakistan and the Governmental Requirements.

#### **7. Arbitration**

- (1) SEPCO and the selected Bidder shall make every effort to resolve amicably by direct and informal negotiation in case of any disagreement or dispute arising between them under or in connection with the Contract.
- (2) If, after thirty (30) days from the commencement of such informal negotiations, SEPCO and the selected Bidder have been unable to amicably resolve dispute, either party may require that the dispute be referred to arbitration under the Arbitration Act, 1940. The arbitration shall be conducted by a sole arbitrator appointed by SEPCO, or in the sole discretion of SEPCO, by the parties through mutual consent. The award of the arbitrator shall be final and the Parties agree to be finally bound by such award. The language of the arbitral proceedings shall be English. The venue of arbitration shall be Sukkur / Karachi, Pakistan.

#### **8. Force Majeure**

The right of SEPCO to terminate the Contract, or to claim penalty or liquidated damages shall be subject to the following circumstances, provided as a result of all or any of these events there has been delay in the performance of the contract by the Manufacturer or Supplier, or the Contract has become incapable of being performed: -

- a) Act of God.
- b) Act of State, war or any act of the enemy.
- c) Lock outs, Riots or Civil commotion.
- d) Injunction granted by a court of competent Jurisdiction not resulting from any fault of the Manufacturer or Supplier.
- e) Restriction imposed by the Government on the import of any services/material relating to the manufacture of goods.
- f) Port delays due to bunker age or lighter age.
- g) Diversions of supplies by the carrier without any fault or knowledge of the Manufacturer or Supplier.

Provided further that the Manufacturer or Supplier has given notice to the SEPCO within 14-days of the happening of any such event.



## **9. PPRA Act and Rules**

All clauses of this contract (RFP) shall be complied with in letter and spirit, however if the contract executed in pursuance of RFP is silent or does not mention any procedure or action in respect of the execution of the contract, the procedures provided in PPRA Act and Rules shall also apply and will be deemed as part of the contract.

## STANDARD FORMS OF CONTRACT

### 10. Form of Contract

This **CONTRACT** (hereinafter, together with all Appendices/Exhibits attached hereto and forming an integral part hereof, called the “**Contract**”) is made on the \_\_\_ day of the month of \_\_ **201**\_, between, on the one part **Sukkur Electric Power Company Limited**, (hereinafter called “**SEPCO**” which expression shall include the successors, legal representatives and permitted assigns), and, on the other part, \_\_\_\_\_, (hereinafter called the “**Contractor**” with overall responsibility and severely liable to SEPCO for all the obligations under this Contract which expression shall include its successors, legal representatives and permitted assigns). SEPCO and the “**Contractor**” may hereinafter individually be referred to as the “**Party**” and collectively as the “**Parties**”.

#### WHEREAS

- a. SEPCO has requested the Contractors to provide the services defined in the TOR of Contract attached to this Contract (hereinafter called the “Services”); and
- b. The Contractors, having represented to SEPCO that they have the required professional skills, and personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this Contract.

NOW THEREFORE the parties hereby agree as follows:

1. The following documents attached here shall be deemed to form an integral part of this Contract:

The following Appendices

- Appendix-A** Key objectives, terms of reference and technical requirements
- Appendix-B** Schedule of Payment
- Appendix-C** Technical Proposal subject to the condition that RFP will prevail in case of any conflict
- Appendix-D** Financial Proposal
- Appendix-E** Personnel and Sub Contractors (Their Job description, staff months and working hours)
- Appendix-F** Services and facilities to be provided by SEPCO and Counterpart  
Personnel to be made available to the Contractors by SEPCO
- Appendix-G** Man Months / Hours of work for Contractor’s Personnel
- Appendix-H** Form of Bank Performance Security
- Appendix-I** Disclosure by the Contractors
- Appendix-J** Letter of Intent (LOI) / Notification of Award No ----- Dated -----  
dully accepted by the bidder
- Appendix-K** Bidding Document (RFP) with Amendment (if any).

2. The mutual rights and obligations of SEPCO and the Contractors shall be as set forth in the Contract, in particular:
- a. The Contractors shall carry out the Services in accordance with the provisions of the Contract: and
  - b. SEPCO shall make payments to the Contractors in accordance with the provisions of the Contract.

In WITNESS WHEREOF, the Parties hereto have caused this contract to be signed in their respective names in two identical parts each of which shall be deemed as original, as of the day and year first above written.

For and on behalf of

**Sukkur Electric Power Company (SEPCO)**

Seal

For and on behalf of

\_\_\_\_\_  
**Name of the Contractors**

Witness

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

Witness

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

## **11. Appendices to Contract**

*Appendix A*

### **KEY OBJECTIVES, TERMS OF REFERENCE AND TECHNICAL REQUIREMENTS**

**PAYMENT SCHEDULE OF SERVICES SUPPLIED:**

**TECHNICAL PROPOSAL OF THE BIDDER SUBJECT TO THE CONDITION THAT RFP  
WILL PREVAIL IN CASE OF ANY CONFLICT**

**FINANCIAL PROPOSAL OF THE BIDDER**

**PERSONNEL AND SUB CONTRACTORS  
(THEIR JOB DESCRIPTION, STAFF MONTHS AND WORKING HOURS)**



**SERVICES AND FACILITIES TO BE PROVIDED BY SEPCO AND COUNTERPART PERSONNEL  
TO BE MADE AVAILABLE TO THE CONTRACTORS BY SEPCO**

MAN MONTHS / HOURS OF WORK FOR CONTRACTOR'S PERSONNEL

FORM OF PERFORMANCE SECURITY

(Bank Guarantee)

Guarantee No. \_\_\_\_\_

Executed on \_\_\_\_\_

Expiry date \_\_\_\_\_

[Letter by the Guarantor to the Employer]

Name of Guarantor (Bank) with address: \_\_\_\_\_

Name of the Contractor with address: \_\_\_\_\_

Amount of Guarantee (express in words and figures) \_\_\_\_\_

Letter of Acceptance No. \_\_\_\_\_ Dated \_\_\_\_\_

Whereas, Sukkur Electric Supply Company Limited, having its registered office at SEPCO Headquarters, Admin Block, Thermal Power Station, Old Sukkur. (hereinafter referred to as the "Employer" which expression shall unless contrary to the context mean and include its successors-in-interest and the permitted assigns) has entered into a contract dated \_\_\_\_\_ (hereinafter referred to as the "Contract" which expression means and

includes all amendments, supplemental, notations and replacements thereto) with \_\_\_\_\_, a [Company/Firm/Joint Venture] existing under the laws of \_\_\_\_\_, having its registered office at \_\_\_\_\_ (hereinafter referred to as the "Contractor" which expression shall unless contrary to the context mean and include its successors-in-interest and the permitted assigns).

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Contractor shall well and truly perform and fulfill all the undertakings, covenants, terms and conditions of the Contract and any extensions thereof that may be granted by the Employer, with or without notice to the Guarantor, which notice is, hereby, waived and shall also well and truly perform and fulfill all the undertakings, covenants terms and conditions of the Contract and of any and all modifications of the Contract that may hereafter be made, notice of which modifications to the Guarantor being hereby waived, then, this obligation to be void; otherwise to remain in full force and virtue till all requirements of the Contract are fulfilled.

Our total liability under this Guarantee is limited to the sum stated above and it is a condition of any liability attaching to us under this Guarantee that the claim for payment in writing shall be received by us within the validity period of this Guarantee, failing which we shall be discharged of our liability, if any, under this Guarantee.

We, \_\_\_\_\_ (the Guarantor), waiving all objections and defenses under the Contract, do hereby irrevocably and independently guarantee to pay to the Employer without delay upon the Employer's first written demand without cavil or arguments and without requiring the Employer to prove or to show grounds or reasons for such demand any sum or sums up to the amount stated above, against the Employer's written declaration that the Contractor has refused or failed to perform the obligations under the Contract which payment will be effected by the Guarantor to Employer's designated Bank and Account Number.

The Employer shall be the sole and final judge for deciding whether the Contractor has duly performed his obligations under the Contract or has defaulted in fulfilling said obligations and the Guarantor shall pay

without objection any sum or sums up to the amount stated above upon first written demand from the Employer forthwith and without any reference to the Contractor or any other person.

The obligations of the Guarantor shall not be modified or impaired upon the happening, from time to time, of any event, including, but not limited to:

- (1) any amendments made in the Contract or any renewals, replacements or notations thereof and the Guarantor hereby waives notice of any such amendment, change, addition, renewal, replacement or notation
  - (2) the failure, omission, or delay by the Employer to enforce, ascertain, or exercise any right, power, or remedy under or pursuant to the terms of the Contract and/or this Guarantee;
  - (3) the bankruptcy, insolvency, or other failure or financial disability of the Employer or the Contractor;
  - (4) any failure of the Contractor to comply with the requirements of any law, regulation or order;
  - (5) the dissolution, reorganization or any other alteration of the legal structure of the Contractor;
  - (6) the Employer taking, holding, varying, realizing or not enforcing any other security for the liabilities of the Contractor under the Contract;
  - (7) any legal limitation or incapacity relating to the Contractor; or
  - (8) any other act or omission of the Employer or any other circumstances which, but for this provision, would discharge the Guarantor.
  - (9) The Guarantor hereby irrevocably and unconditionally agrees and confirms that:
    - (a) no set off, counter claim, reduction, or diminution of any obligation that the Guarantor have or may have against the Employer shall be available to the Guarantor against the Employer in connection with any obligation of the Guarantor to the Employer under this Guarantee. All payments by the Guarantor under this Guarantee shall be made in full, without set off or counterclaim and free and clear of any deduction or withholdings in immediately available, freely transferable, cleared funds for value on the due date to the account of the Employer notified to the Guarantor by the Employer.
    - (b) to indemnify and to keep the Employer indemnified against all losses, claims, costs, charges and expenses which the Employer may incur in proceedings against the Contractor and/or the Guarantor until such time as the Guarantor shall have discharged all his obligations under this Guarantee.
    - (c) subject to the contents of Clauses 9(d) and (e) herein below, this Guarantee shall be binding upon and inure to the benefit of each party hereto and its successors and permitted assigns.
    - (d) the Guarantor shall not assign or transfer all or any of his rights, benefits and obligations under this Guarantee except with the prior written permission of the Employer, which written permission the Employer may, in its sole discretion, refuse to give.
    - (e) the Employer may at any time assign to all or any part of its rights and benefits hereunder and in that event the assignee shall have the same rights against the Guarantor as it would have had if it had been the Employer specified herein.
    - (f) the Employer may disclose to potential assignee or to any other who may otherwise enter into contractual relations with the Employer in relation to this Guarantee such information about the Guarantor as the Employer shall consider appropriate.
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The Guarantor hereby irrevocably and unconditionally agrees, confirms, undertakes and warrants that no delay or failure to exercise any right or remedy under this Guarantee by the Employer shall constitute a waiver of such right or remedy. No single or partial exercise of any right or remedy shall preclude any other or further exercise thereof or of any other right or remedy. No waiver by the Employer shall be valid unless made in writing.

No amendment and/or alteration of this Guarantee shall be valid unless the same is in writing and signed by the Employer.

If any one or more provisions of this Guarantee or any part thereof are declared or adjudged to be illegal or invalid or unenforceable under any applicable law, such illegality, invalidity or unenforceability shall not invalidate the other provisions herein, which shall remain in full force and effect.

This Guarantee is governed by and shall be construed in accordance with the laws of Pakistan. The Guarantor irrevocably agrees for the benefit of the Employer that the appropriate courts in Lahore shall have exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with this Guarantee and, for such purposes, the Guarantor irrevocably submits to the jurisdiction of such courts. The submission to the jurisdiction of the courts aforementioned shall not be construed so as to limit the right of the Employer to initiate proceedings against the Guarantor in any other court of competent jurisdiction.

IN WITNESS WHEREOF, the above-bounden Guarantor has executed this Instrument under its seal on the date indicated above, the name and corporate seal of the Guarantor being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Signature and Seal:

Name of Bank: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_

Witnesses:

1. \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

CNIC No.: \_\_\_\_\_

2. \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

CNIC No.: \_\_\_\_\_

*Appendix I*

**DISCLOSURE BY THE CONTRACTORS**

**Letter of Intent (LOI) / Notification of Award No. \_\_\_\_\_ Dated: \_\_\_\_\_ dully accepted by the bidder.**

**Bidding Document (RFP) with Amendment (if any).**