

OIL & GAS DEVELOPMENT COMPANY LIMITED



TENDER ENQUIRY # PROC-SERVICES/CB/FINANCE-4583-A/2020

**HIRING OF CONSULTANTS FOR CALCULATION/DETERMINATION OF
LATE PAYMENT SURCHARGE (LPS)**

**Date and Time for Bid Submission: January 24, 2020 at 1000 Hrs
Amount of Bid Bond = PKR: 30,000/- Only**

TERMS OF REFERENCE (TOR)

HIRING OF CONSULTANTS FOR CALCULATION/DETERMINATION OF LATE PAYMENT SURCHARGE (LPS)

OBJECTIVE

1) Oil and Gas Development Company Limited (OGDCL) is the national E&P Company which is engaged in the exploration, development and production of oil and gas resources to meet the energy demand of the nation. In October 2003, the Company (OGDCL) was listed on Pakistan Stock Exchange and its Global Depository Share started trading on and London stock exchange from December 2006. The Company has Exploration and Production (E&P) operations in all four provinces of the country.

2) In accordance with sales agreements executed between OGDCL ('the Company') and its customers, Late Payment Surcharge (LPS) is chargeable on delayed payments from customers beyond the credit period(s). The management of the Company intends to engage an accounting/consulting firm, to perform agreed upon procedures for determination of late payment surcharge (LPS) due from its customers including refineries and gas distribution companies.

SCOPE OF WORK

- 3) The scope of work of the consultant for the purpose of this assignment entails:
- 3.1. Undertake a comprehensive determination of LPS on all invoices issued since July 01, 2001-02 to date. It is expected that an invoice-wise calculation of applicable LPS will be performed in accordance with underlying Oil/Gas sales agreement. (Customer year wise detail Annexed-A)
 - 3.2. Develop a financial model for the determination of LPS

DELIVERY SCHEDULE

4) The expected cut-off date for completion of the AUP will be **31 March 2020** or any other date mutually agreed with between the Company and the consultant.

TIMELINE

5) The consultant will start the work immediately after signing of contract with OGDCL and complete the AUP with in a period of **eight (08) weeks** from the date of signing of contract. The timelines for delivery will be as under:

- 5.1. Draft report as per scope of work within six (06) weeks commencing from the date of signing of Contract.
- 5.2. Upon receipt of draft report, OGDCL management shall review the report within reasonable time, the time period spent for review will not be included in the total eight (08) week period to undertake the AUP.
- 5.3. The last two (02) weeks of the AUP are set aside for the review of the deliverables, discussions with consultant and submission of final report by the consultant after approval by OGDCL.
- 5.4. The duration of AUP may be extended by OGDCL Management in writing in case where delay would occur due to unavoidable circumstances on the part of OGDCL.

STAFFING

6) The assignment shall be conducted under the overall supervision of engagement partner of the accounting/consulting firm. Suitable trained and experience staff will be deputed on the assignment. The partner and his/her staff shall co-ordinate with AGM (Treasury) of OGDCL for this assignment on at least a weekly basis. Consultant is to provide list of staff separately mentioning qualifications and experience in relevant field/assignment.

RESPONSIBILITIES OF OGDCL

7) OGDCL will provide all the data/information/schedules that will be required for the assignment as required by the consultant.

DELIVERABLES BY CONSULTANT

- 8) The consultant will provide the following in both electronic and hard copies:
- 8.1. Customer-wise LPS amounts due from customers along with all necessary workings and references to the necessary agreements.
 - 8.2. Financial model developed to determine the LPS.
 - 8.3. Draft and final reports on the assignment along with executive summary.

PROPOSAL

TECHNICAL PROPOSAL

- 9) Technical Proposal should be submitted entailing the following:
- 9.1. Company Profile
 - 9.2. List of team members to be deployed on the assignment with education, certifications, expertise, roles and responsibilities (CVs of proposed team members to be enclosed). Also provide detailed Responsibility Matrix providing information about the task distribution.
 - 9.3. List of similar assignment completed, indicating names of the organizations, extent of work carried out, list of deliverables and also provide recommendation letter of customers.
 - 9.4. The Consultant shall also provide any additional information (which they feel relevant) not covered in the above requirement list.
 - 9.5. The consultant will submit technical cum financial proposal/bid in single sealed envelope quoting lump sum cost for carrying out the assignment. The quoted lump sum fee shall be inclusive of all taxes, duties, levies, etc. except provincial/ICT sales tax. PST/ICT ST wherever applicable shall be paid by OGDCL at actual.

FINANCIAL PROPOSAL/BID AND PROFESSIONAL FEES

PRICES

- 10) The consultant will submit technical cum financial proposal/bid in single sealed envelope quoting lump sum cost for carrying out the assignment. The quoted lump sum fee shall be inclusive of all taxes, duties, levies, etc. except provincial/ICT sales tax. PST/ICT ST wherever applicable shall be paid by OGDCL at actual.

PAYMENT TERMS

- 11) 100% of the fee will be paid after finalization of the assignment, submission of report by consultant and approval by OGDCL.

PENALTIES

12. As per master set of tender documents for services uploaded on OGDCL website (www.ogdcl.com)

PRE-BIDDING MEETING

13. A pre-bidding meeting will be held of interested bidders to make them fully understand the exercise and provide them the necessary details on or before **January 10, 2020**. For any query, clarification and pre-bid meeting, following official may be contacted.

Mr. Ihsan Ullah Khan, AGM (Treasury)
Ph # 051-920023834 : Cell # 0335-5888175
E-mail: ihsanullah_khan@ogdcl.com

A. Technical Evaluation Criteria

The technical evaluation will be carried out based on following criteria:

S. No	Item	Max. Marks	Criteria
1.	Year of establishment. Total experience of firm in years.	10	10 years and above 10 marks. 5-10 years will get marks on prorated basis. Less than 5 years will carry no marks.
2.	Affiliation with International firms.	10	International Affiliation will carry 10 marks.
3.	No. of offices in Islamabad /Rawalpindi/ Pakistan.	10	Each office will be given 2 marks (maximum up to 6 marks). Islamabad/Rawalpindi office with full time Partner will get 4 additional marks.
4.	No. of Partners and Managers.	20	Following marks will be given: Maximum marks will be 20. FCA/ACA 2 marks each.
5.	Rating of quality Assurance by ICAP.	10	10 marks for satisfactory Rating during last 5 years (2 mark for each year).
6.	Experience of accounting/consultancy services (excluding fixed asset and inventory verification) provided to Energy Sector Companies.	40	5 marks for each assignment.

B. Financial Evaluation Criteria

Financial evaluation will be carried out on total lump sum cost basis. Extra cost except total lump sum fee shall not be considered.

The bidders obtaining less than 70% points/ marks in technical evaluation shall not be considered for the assignment.

Note

The Master Set of Tender Documents for Services uploaded on OGDCL's website (www.ogdcl.com) is the integral part of this TOR.

Annexure-A-1

Customer's year wise detail to whom Late Payment Surcharge is due:

S. No	Customer Name	Year
1	SSGC	September 2001
2	ARL	December 2006
3	NRL	June 2007
4	PRL	June 2007
5	PARCO	September 2008
6	BYCO	February 2009
7	SNGPL	February 2009
8	Uch-I	January 2013
9	Uch-II	July 2015