

TERMS OF REFERENCE

Operations of Shop Stops, Service Stations and Tyre shops at PSO COCO retail outlets

Introduction and Background

Pakistan State Oil Company Limited (PSO), is the largest energy company in Pakistan, and is engaged in the import, storage, marketing and distribution of range of petroleum products including Motor Gasoline (Mogas), High Speed Diesel (HSD), Furnace Oil (FO), Jet Fuel (JP-1), Kerosene, CNG, LPG, Petrochemicals and Lubricants. PSO serves around 3 Million customers everyday across the entire economic value chain with over 3500 Retail outlets and controls around 74% of the country's oil storage capacity and refueling facilities at 9 airports and 2 sea ports.

Non Fuel Retail (NFR) Department in PSO is responsible for developing and providing services at PSO retail outlets that provide day to day convenience to our customers by engaging well-reputed and experienced parties. Shop Stop, Service Stations and Tyre Shops "Facility(ies)" are a few of such customer-centric services.

Scope and Objective

To provide unmatched, state-of-the-art and professionally managed facilities to our valuable customer and generate incremental revenue for the company. PSO is inviting technically and financially sound parties having required expertise and proven track record to operate and manage following facilities at the Company owned Company operated outlets across Pakistan by entering into license agreement with Pakistan State Oil Company regarding:

- Shop Stop
- Service Stations (Car Wash)
- Tyre Shop

1. Shop Stop Stores:

The bidder will be required to operate the Shop stop as per PSO's approved layout and design following PSO's guidelines, planograms and comply with all the merchandising or any other agreements, alliances and arrangements entered into with respect to the Shop Stop. A bidder may submit a bid ("bidder") to operate all or a number of outlets as a chain of Shop Stop. The bidder may offer various promotions to the end customers in order to increase traffic flow and sales and visits.

Key Terms for Shop Stop:

- i. The bidder will be required to provide fresh, undamaged, good quality and unexpired products to the customers
- ii. The bidder shall be required to pay a license Fee and percentage of sales to PSO on a monthly basis
- iii. The bidder shall be required to keep the store operational 24x7; unless already agreed with PSO in case of any variation
- iv. The bidder shall be responsible for employing all staff and paying their salaries
- v. The bidder shall be required to procure all merchandise from approved product range of PSO and/or the merchandising partners at its own cost

2. Service Station:

The bidder will be required to operate service station at the designated space. A bidder may submit a proposal to operate all or a number of outlets as a chain of Service Stations. The bidder may also offer other Car Care facilities and products range at designated spaces of facility at the outlet. The party would be required to have the capability to introduce different promotion programs including monthly or seasonal passes offered to the customers to ensure repeat sales and visits.

Key Terms for Service Station:

- i. The bidder will be required to provide excellent service to the customers
- ii. The bidder shall be required to pay a monthly license fee to PSO on a monthly basis
- iii. The bidder will pay all utility charges
- iv. The bidder shall be required to keep the facility operational 14-16 hours; 7 days a week; unless already agreed with PSO in case of any variation
- v. The bidder shall be responsible for employing all staff and paying their salaries
- vi. The bidder shall be required to procure all material and parts at its own cost
- vii. The bidder may make investment to make "Waiting Area" for customers within the forecourt at designated space where applicable
- viii. Preference shall be given to those parties who have capability to provide multiple facilities and products (such as Car Detailing etc along with Car Wash).

3. Tyre Shop:

The bidder will be required to operate Tyre Shops and install the tyre repair equipment at the designated space. A bidder may submit a proposal to operate all or a number of outlets as a chain of Tyre Shops. The bidder is required to offer quality service in order to increase traffic flow.

Key Terms for Tyre Shop:

- i. The bidder will be required to provide excellent service to the customers
- ii. The bidder shall be required to pay a monthly license fee to PSO on a monthly basis
- iii. The bidder shall be required to keep the facility operational 14-16 hours; 7 days a week; unless already agreed with PSO in case of any variation
- iv. The bidder shall be responsible for employing all staff and paying their salaries
- v. The bidder shall be required to procure all material and parts at its own cost
- vi. The bidder providing other related services such as wheel alignment shall be given preference.

General Key Deliverables

- i. The bidder will be required to abide by all federal , local and provincial laws
- ii. The bidder will be required to pay all utility bills as per their sub meters installed by PSO
- iii. The bidder will install its own security and surveillance system “CCTV” at its own cost and expense.
- iv. The bidder will not construct/amend the interior or exterior without PSO’s prior approval.
- v. The bidder will carry out all the repairs and maintenance job of respective facility and equipment installed therein at his own cost and will keep it in good working condition all the time in accordance with the directions/HSE standards advised to bidder from time to time by PSO.
- vi. The bidder will ensure to maintain and manage the HSE Standards of the PSO conveyed to him by the PSO from time to time and the bidder will ensure that these rules are implemented inside or outside the relevant facility in letter and spirit and no violation whatsoever is committed or caused to be committed including in the law and order situation.
- vii. Licence fee shall commence from the date of handing over the possession of the designated space.
- viii. Current Licensees will be given preference
- ix. The licenced facilities will be run according to guidelines given by PSO.
- x. The bidder will give support in promotional activities and must follow the promotional calendar endorsed by PSO NFR department.
- xi. The bidder must ensure all the employees working on facility are provided with PSO uniform which must be worn during working hours.

OTHER TERMS & CONDITIONS

1. Bidding Procedure

It would be single stage/two envelope bidding process:

- i. In Technical envelope parties will provide their business line and how they will run the facilities at the retail outlets including other details such as their existing business revenue and clientes’ etc.
- ii. In commercial envelope party will provide the financial proposal.

2. Transfer of Rights

The facilities allotted to the bidder, cannot be transferred, sublet and sub-contracted for operations to any third party.

3. Time Line

- i. The agreement will be valid for the period of 2 to 3 years which can be extended further as mutually agreed by the parties.
- ii. The successful parties will make the facility operational within 1 months of handing over the possession or any agreed time, failure to do so may result in the termination of the Licence Agreement.

4. Force Majeure

Neither party shall be liable to the other Party (except for obligations to make payments) on account of any failure to perform by reason of any event beyond its control such as strikes and lockouts (other than strikes or lockouts at the Site), accidents, fires, explosions, floods, earthquakes, wars, declared or undeclared hostilities, act of any government or government authority or government entity, riots, rebellions, revolutions, blockades, embargoes, acts of god or any other cause beyond the control of that Party and which such Party could not avoid by the exercise of reasonable diligence.

5. Mode of Payment

Payment will be made:

- i. Payment of Licence fee and security deposit would be made in PKR in the form of Pay order
- ii. License fee shall be paid three months advance in addition to the one time security deposit i.e equivalent to three months licence fee.

6. Disclaimer

PSO reserves the right to reject bid of any Party, and PSO has a right to alter or eliminate any specified location and /or cancel the tender without assigning any reason.

7. Miscellaneous:

- Bidder must only write the bid amount in front of the retail outlet name which bidder is interested in under “**Rate**” column of form attached at annexure 1, 2 and 3.
- Bidder can bid for more than one outlet if it has capability to run number of outlets simultaneously.
- Service Tax is applicable on the retail outlets according to the local/provincial laws.

- Bidders must quote on the Annexure 1, 2 or 3 attached below and fill out corresponding Evaluation criteria sheet attached as Annexure B, C and D. If they wish to provide additional details, they may do so on their letterhead.

8. Documents Required:

Following documents are to be submitted along with bid:

- Complete company profile
- NTN, Sales Tax Registration Certificate (if applicable), CNIC of bidder.
- Affidavit on stamp paper of appropriate value that the bidder has not been involved in any litigation or is defaulter of PSO.
- All the documents specified in technical evaluation, where applicable.
- All annexures, and specifications shall be signed, completed and returned with the Bid Document as a whole.

9. PSO Retail Outlets

The details of available facilities in PSO Company owned-Company operated retail outlets attached at Annexure 1, Annexure 2, and Annexure 3.

ANNEXURE A

Mandatory Requirements:

(Please Tick appropriate column, the bid will be automatically rejected if following requirements are not met)

S. No	Description	Yes	No
01	Has your firm/business been involved in any litigation with PSO or any other entity? <i>(If yes please provide details on Company Letter Head)</i>		
02	Is your firm/business registered with the tax (FBR) Authorities? <i>(If yes please provide NTN Certificate. If applicable also provide Provincial/Service Tax Registration number)</i>		

Applying for:

(Please Tick appropriate column)

Sr. No	Business Area	Bidding for
1.	Shop Stop	
2.	Tyre Shop	
3.	Service Station	

*Only fill appropriate respective sheets below.

* Shop Stop bidders must fill Annexure A, B and 1

* Tyre Shop bidders must fill Annexure A, C and 2

* Service Station bidders must fill Annexure A, D and 3

ANNEXURE B

Evaluation Criteria for Shop Stop:

S. No	Criteria / Description	Please Tick appropriate Heading
01	Type of Ownership	
1.1	Sole Proprietorship	
1.2	Partnership	
1.3	Private/public Company	
	<i>In case of partnership and company kindly provide legal paperwork of the business owners and its formation</i>	
02	Past Experience in relevant business	
2.1	0	
2.2	1-3 years	
2.3	4-6 years	
2.4	7-9 years	
2.5	10 or more	
	<i>Provide evidence of the experience (Name of business, location, and bank statement of the past business)</i>	
03	Annual Sales Turnover over past 3 years	
3.1	Less than 1 million	
3.2	Rs 1 - 2.5 million	
3.3	Rs 2.6 – 4.9 million	
3.4	Rs 5 million or more	
	<i>Please provide audited financial statements or business bank account statements</i>	
04	Nationwide Number of branches / outlets/ franchises	
4.1	0	
4.2	1-3	
4.3	4-6	
4.4	More than 6	
	<i>Please provide details of branches/outlets/franchises being managed (names, addresses and proof of the ownership i.e. bank statement or any other relevant document to proof ownership)</i>	
	Total	

SHOP STOP SITES (ANNEXURE 1)

S#	City	Site Name	Size	Rate
1	Multan	PSO S/S 11 (Faridia)	24*24	
2	Peshawar	PSO S/S 71 Army Golden Arrow	48*24	
3	Faisalabad	Police Welfare 14	33*17	
4	Karachi	PSO S/s 70 (Pakistan State Oil) (Formerly Globe P/s)	34*12	

ANNEXURE C

Evaluation Criteria for Tyre Shop:

(Please Tick appropriate heading)

S. No	Criteria / Description	Please Tick appropriate Heading
01	Type of Ownership	
1.1	Sole proprietorship	
1.2	Partnership	
1.3	Private/public Company	
	<i>In case of partnership kindly provide legal paperwork of partnership deed.</i>	
02	Experience in the provision of Tyre Shop services	
2.1	1 to 3 years	
2.2	4 to 5 years	
2.3	6 years and above	
	<i>Provide evidence of the experience (Name of business, location, and bank statement of the past business)</i>	
03	How many other Tyre Shops being managed	
3.1	0	
3.2	1 to 2	
3.3	3 to 5	
3.4	More than 5	
	<i>Please provide details of tyre shops being managed (names, addresses and proof of the ownership i.e. bank statement etc)</i>	
	Total	

TYRE SHOP SITES (ANNEXURE 2)

S#	City	Site Name	Rate
1	Multan	PSO S/S 11 (Faridia)	
3	Faisalabad	Police Welfare 14	
4	Karachi	PSO S/s 70 (Pakistan State Oil) (Formerly Globe P/s)	

ANNEXURE D

Evaluation Criteria for Service Station/Car Wash:

S. No	Criteria / Description	Please Tick appropriate Heading
01	Type of Ownership	
1.1	Sole Proprietorship	
1.2	Partnership	
1.3	Company	
	<i>In case of partnership and company kindly provide legal paperwork of the business owners and its formation</i>	
02	Experience in the provision of car wash services	
2.1	1 to 3 years	
2.2	4 to 5 years	
2.3	6 years and above	
	<i>Provide evidence of the experience (Name of business, location, and bank statement of the past business)</i>	
03	How many other Service Stations being managed	
3.1	1 to 2	
3.2	3 to 5	
3.3	More than 5	
	<i>Please provide details of Service Stations being managed (names, addresses and proof of the ownership i.e. bank statement etc)</i>	
04	How many other types of facilities along with basic car wash can your firm offer	
4.1	1 to 2	
4.2	3 to 5	
4.3	More than 5	
	<i>These include: Detailing, different product range etc (please provide detailed services your firm can offer)</i>	
05	How many different types of Car Washes you can offer	
5.1	1 to 3	
5.2	4 to 6	
5.3	7 to 9	
	10 to 12	
	<i>Please provide details of different types of Car Washes, their quality, products used in each type of car wash and price range for each)</i>	
	Total	

Service Station/ Car Wash Sites (ANNEXURE 3)

S#	City	Site Name	Rate
1	Multan	PSO S/S 11 (Faridia)	
2	Peshawar	PSO S/S 71 Army Golden Arrow	
3	Faisalabad	Police Welfare 14	

STATEMENT REGARDING SUBMISSION OF BID DOCUMENTS (ANNEXURE 4)

Having read the terms and condition given in this bid document we/I hereby declare:

- a. That the information furnished in our bid is accurate to the best of our knowledge.
- b. That in case of being awarded the bid we acknowledge that we will adhere to the terms and conditions aforementioned in the bid document, and all the policies outlined herein.
- c. We enclose all the required documents and information required for the bid evaluation.

Date.....

Applicant's Name.....

Represented by

Signature.....

(Full name and designation of the person signing and stamp or seal if available)

Proposal Submission Procedure

Proposals conforming to the requirements set out above must be received at below mentioned address no later than the deadline given below. All submittals must be received in hard copies in sealed opaque envelopes and marked, "Operations of at PSO outlet" (Shop Stop, Tyre Shop or service station written in blank). The name and address of the bidder must also appear on the envelope. Bidders may submit their proposals along with necessary information & documents in a sealed envelope on the drop box marked as "NFR" latest by **June 20th, 2018** at the below mentioned address.

**Ground Floor, PSO House
Khayaban-e-Iqbal, Clifton
Karachi
UAN: 111-111-PSO (776)**

Disclaimer

Pakistan State Oil Company Limited reserves the right to reject any or all proposals without assigning any reason. Pakistan State Oil Company Limited also reserves the right to give preference to parties who are willing to run multiple stores simultaneously.

Pakistan State Oil Company may consider any bid not prepared and/or not submitted in accordance with the provisions hereof as not qualified and reject any and all bids. Any bid may be withdrawn prior to the above scheduled time and authorized postponement thereof.