

Request for Quotation (RFQ): Operating Lease for LPG Filling Plant

Issue Date: 28/09/2025

Closing Date: 13/10/2025

1. Introduction

Hascol Petroleum Limited (the “HPL”) invites proposals from OGRA Approved LPG Marketing Companies to operate, maintain, manage HPL LPG Storage & Filling Plant according to Good Technical & HSE Standards under a Monthly Fixed Lease Rent.

Given the specialized nature of LPG Plant, operations should be conducted in strict adherence to regulatory authorities’ compliance, rigorous asset management which are integral and vital important part of this plant lease.

2. Background

HPL LPG storage & filling plant is fully operational with product storage capacity approx. 300 Mt, the successful lessee will be responsible for full technical and operational management, including all regulatory obligations under OGRA, Explosives Department, Sindh Environmental Protection Agency, Labor Department, Civil Defense, and all other relevant authority. These obligations. Any violation of authorities’ applicable rules resulting in FINE will be solely the lessee’s responsibility.

3. Scope of Lease

The lease covers complete plant operational management, maintenance, and regulatory compliance for the LPG Plant

Key Requirements Include:

- Fixed Rental Lease Amount Payment as agreed.
- Day to day and required preventive maintenance expenses will be borne by the lessee.
- Plant installed equipment should be always in running and operational condition.
- Parts replacement from OEM or equivalent
- Imported LPG should comply ASTM specification, bad quality and substandard LPG will not be used or stored in any of the LPG vessel.
- HPL reserved right to draw sample of imported LPG from vessels for Lab Test to ensure and establish quality product is in vessel.
- High Sulphur Content LPG should not be decanted in vessel
- LPG Plant is fully operational with installed all required Machineries and Fire Fighting Arrangements
- Purchase of allied assets, i.e., unused cylinders and bob-tail vehicles
- Exclusive Responsibility for Equipment Upkeep:

Lessee will solely maintain, repair, and promptly address to all breakdowns or malfunctions of equipment, and allied fitting of plant equipment at its own expense.

Lessee should keep LPG plant machinery and all associated infrastructure in a good state any time to the condition of handover.

Any modifications or changes to critical plant & HSE systems will require HPL's prior written approval, except for urgent repairs necessary to maintain safe operations, however verbal approval over the call is essential for urgent repairs/replacement.

- **Regulatory Compliance:**

The Lessee shall be solely responsible to comply with all applicable laws, regulations, rules, and guidelines governing the importation, storage, distribution, of Liquefied Petroleum Gas (LPG) within the jurisdiction of Pakistan. This includes adherence to the rules, regulations, guidelines and directives of the Oil and Gas Regulatory Authority (OGRA), the Ministry of Energy (Petroleum Division), and other relevant authorities.

Lessee responsibilities:

i. Licensing and Permits:

Obtain, maintain, renew and comply with all necessary licenses, permits, and certifications required under the OGRA Ordinance, 2002, LPG (Production and Distribution) Rules, 2001, LPG (Production & Distribution) Policy, 2016 and other applicable laws for activities such as LPG storage, filling, transportation, and distribution. The Lessee shall be solely responsible to bear all expenses that may incur in relation to the licensing and permits.

ii. Safety and Operational Standards:

Adhere to safety and operational guidelines established under the OGRA rules, LPG (Production and Distribution) Rules, 2001, LPG (Production & Distribution) Policy, 2016 and international standards, such as NFPA 58 (Liquefied Petroleum Gas Code), for the safe handling, storage, and transportation of LPG. This includes maintaining safety equipment, conducting regular inspections, and ensuring compliance with cylinder quality standards.

iii. Environmental Compliance:

Ensure adherence to the Sindh Environmental Protection Act, 2014, Sindh Environmental Protection Agency (Environmental Assessment) Regulations, 2021, and any other federal and/or provincial environmental guidelines, rules and regulations, particularly in relation to emissions control, waste management, and spill prevention during LPG operations.

iv. Consumer Protection:

Comply with consumer protection laws, including transparent pricing as per OGRA guidelines, rules and regulations, fair trade practices, and ensuring the quality and quantity of LPG supplied to consumers.

v. Employment and Labor Laws:

Ensure compliance with all federal and provincial labor laws applicable in Pakistan, including but not limited to those regarding wages, working hours, workplace safety, and any other subject matter that is ancillary and incidental thereto.

vi. Regulatory Changes:

Monitor and promptly adapt to changes in applicable Pakistani laws, rules, regulations, guidelines, directives issued or enacted by OGRA or any other governing and regulatory authorities.

vii. Reporting and Audits:

Maintain accurate records of all LPG-related operations and submit required reports to OGRA and other relevant authorities. Facilitate inspections, audits, and inquiries conducted by regulatory authorities and HPL to ensure compliance with safety, environmental, and operational standards.

viii. Breach:

The Lessee shall be solely responsible for any failure to comply with applicable LPG-specific laws or regulations that results in penalties and operational suspension.

Lessee must provide proof of compliance and documentation to HPL upon demand.

- **Risk Management and Incident Response:**

Lessee must implement and maintain industry-leading safety, environmental, and emergency management systems, including verified and updated **Emergency Response Plan** and asset integrity programs.

All incidents, near misses, and regulatory breaches must be reported immediately to HPL, with full investigation and remedial action at the lessee's expense.

Lessee is responsible for any reputational damage, regulatory action, or financial penalty resulting from non-compliance, unsafe acts, environmental harm, or unlawful incidents. Indemnification of HPL is mandatory.

- **Personnel Standards:**

All personnel must be properly trained, certified, and medically fit for hazardous operations, as per relevant statutes and HPL standards includes PPE use is mandatory.

Lessee must maintain and provide upon request all qualification, training, and fitness records; non-compliant staff must be promptly removed at HPL's request.

- **Insurance & Liability:**

Lessee shall maintain, at its sole cost, comprehensive insurance policies for:

- (a) All plant and equipment (covering fire, theft, natural disasters, malicious damage, etc.)
- (b) Third party/public liability (covering bodily injury, property damage to third parties)
- (c) Environmental impairment (pollution liability insurance)
- (d) Worker compensation and employer's liability (per statutory requirements)
- (e) Product liability (for filled cylinders/LPG supplied)

Each policy must name Hascol Petroleum Limited as additional insured and specify a minimum insured amount of [insert recommended coverage—for example: not less than the replacement value of installed assets] per policy.

Proof of insurance, including copies of all active policies and receipts for paid premiums, must be submitted prior to commencement of the lease and kept current throughout the term.

If any loss, damage, or incident is not covered by insurance or is below the deductible, the Lessee shall be solely responsible for all associated costs, claims, or liabilities.

- **Security/Performance Bond:**

The selected Lessee shall be required to submit, prior to commencement of operations, a refundable security deposit via pay order in favor of Hascol Petroleum Limited, amounting to 12 months' lease rent.

The security deposit/performance bond will serve as collateral against non-compliance, performance defaults, regulatory fines, damages, or any breach of contract.

Failure to maintain this deposit/bond at all times during the lease period will be grounds for immediate termination of the lease.

4. HPL's Right of Audit/Inspection:

HPL reserves the right to conduct periodic announced or unannounced inspections and audits of the plant, equipment, safety records, operational logs, and regulatory documentation.

Lessee must provide access to all areas, records, staff, and third-party reports. Non-cooperation or unsafe/unsatisfactory findings may result in corrective action, penalties, or termination.

HPL can refuse to permit operations if the plant or associated equipment falls below required legal or HPL-specified standards, until rectified at lessee's cost.

5. Purchase of allied assets:

The Lessee shall also purchase unused cylinders and bob-tail vehicles. Details are:

Cylinders

	2.0 Kg	4.0 Kg	6.0 Kg	11.8 Kg	45.4 Kg
Quantity	182	478	1,949	1,113	1,819

Bob-tail vehicles

Vehicle Make	Model	Capacity
FAW	2019	7 MT
FAW	2019	8 Mt
Master	2018	10 MT

6. Proposal Submission Requirements

Proposals must include:

- Company/Consortium profile, with LPG/similar industry experience, regulatory track record, and key references.
- Technical methodology, with maintenance programs, HSE/QHSE procedures, regulatory assurance programs, staffing, and training plans.
- Asset management plan, including inspection schedules, spare parts strategy, and response/rectification protocols for breakdowns or non-compliance.
- All required certifications, proof of compliance, insurance details, and financial proposal (fixed rental + any assumptions).

7. Evaluation Criteria

Proposals will be evaluated for:

- Asset integrity & maintenance plan
- Documented demonstration of HSE & regulatory compliance robustness
- Operational experience in similar LPG environment
- Financial competitiveness
 - a. Bank Reference/Comfort Letter from an A-rated scheduled bank, not older than 3 months.
 - b. Last 6 months' bank statements of operational (primary) account(s), signed/stamped by the bank.
 - c. Copies of any current bank facility/credit arrangements with sanctioned amount visible.
 - d. Undertaking/commitment from bidder's bank for issuance of a Performance Bank Guarantee (if selected).
- Insurance and indemnification collateral
- Reference checks and previous regulatory performance with disclosure of pending substantial liabilities, lawsuits, or bankruptcy proceedings
- Added value risk management or process innovations

8. Submission and Contacts

Deadline: Proposals must be received **by 13-10-2025**.

Format: Hardcopy of proposal in sealed envelope marked to as "Proposal for LPG Plant Lease"

Submission to: **HPL Procurement Department, The Forum, Suite No. 324, 3rd Floor, Khayaban-e-Jami, Block-9, Clifton, Karachi**

Enquiries: Direct questions to Mr. Sohaib Tasleem (sohaib.tasleem@hascol.com) **by 12/10/2025**