



Checklist for Bidders

Enquiry #: 14243

Opening Date: _____

Time: _____

M/s, _____

Please ensure before submitting the bid, that following information/ Documents have been submitted / providing along the bid. Kindly Check () appropriate box.

Sr. No.	Checklist Item	Action Required	(Yes/ No)
1	Tender Document Availability on SSGC website & EPADS	Ensure the bidder participates via EPADS.	
		Download the tender document from EPADS.	
		Fill the BOQ/ Bid Form/ Schedule of Requirement correctly.	
		Submit the bid on EPADS before the deadline; otherwise, bid will be rejected.	
2	Physical Bid Bond Submission	Submit the physical bid bond to the Tender Room (SSGC HO) before the bid submission. And upload Scanned copy of Bid bond on EPADS.	
		If Bid Bond in original not submitted, the bid will be rejected.	
3	Bid Submission Deadline	Confirm all documents (electronic and bid bond in original) are submitted before the specified bid submission deadline.	
4	Signature and Stamp	Ensure all documents are signed and stamped as required and uploaded on EPADS or else bid will be rejected	
5	Additional Documents (if any)	Verify if any other documents specified in Tender document are included in the bid on EPADS	
6	Tender Fees	Rs. 0 (Free)	
7	Technical literature	Original Technical literature is enclosed, if any duly signed & stamped	
8	Any change in your current address, Phone Fax no & Email etc. Intimated	Bidders are required to intimate Procurement dept. for any change in Current address, email, contact information etc. in tender documents	
9	Bid validity	Bid Validity as specified is mentioned	
10	Delivery / Completion period	Delivery / Completion period has been specified as per tender terms	
11	Corrections/Cutting/Overwriting	All corrections/cutting/overwriting are signed & stamped	
12	Sample	Sample (if necessary) is enclosed as per form attached in Tender Document	
13	Form-X	Form- X Duly Signed & Stamped	

Note:

Non-Availability of the above information/documents, or incomplete/incorrect statement on this checklist may result in rejection of the bid at / after the bid opening.

As per SRO296(1)/2023 dated 08th March 2023 "E-Pak Procurement Regulations, 2023" all bidders are advised to register in e-Pak Acquisition and Disposal System (EPADS).



Bidders Authorized Representative



Ref. No. SSGC / SC / EO1 / 14243

Date : April 08, 2026

REQUEST FOR PROPOSAL

**SELECTION OF HR CONSULTING/HEADHUNTING FIRMS FOR
HIRING OF SENIOR MANAGEMENT / LEADERSHIP POSITIONS**

Under the PPRA Consultancy Services Regulation 2010

"By Invoking clause 3(B) (i & ii) Quality and Cost Based Selection Method"

Under Single Stage Two Envelope Bidding Procedure

Tender Enquiry No. SSGC / SC / EO1 / 14243

**SECTION - I
Invitation to Bid**

Sui Southern Gas Company Limited (SSGC) intends to carry out the work related to Hiring Of HR Consultancy/Headhunting Firm For SELECTION OF HR CONSULTING/HEADHUNTING FIRMS FOR HIRING OF SENIOR MANAGEMENT / LEADERSHIP POSITIONS (Under the PPRA Consultancy Services Regulation 2010 by Invoking clause 3(B) (i & ii) Quality and Cost Based Selection Method (Under Single Stage Two Envelope Bidding Procedure) (As per Criteria/TOR/T&C).

The Company invites shortlisted consultants against T.E# SSGC/SC/EO1/14243 to submit Technical Proposal and Financial Proposal "**Under Single Stage Two Envelope Bidding Procedure**" on EPADS. Technical offers will be opened and evaluated first. Financial offers of only technically compliant bidders will be opened on later intimated date in presence of bidder's representative.

The priced bids shall be submitted along with FIXED Bid Bond amounting Rs. 1,000,000/- (Ten Hundred Thousand Rupees Only) in the form of Pay order / Demand Draft in favor of Sui Southern Gas Company Limited

The Company reserves the right to add, delete from or amend any part of these tender documents during the bidding period and bidders shall be informed accordingly.

Bids not conforming to the terms and conditions or a part thereof; stipulated in these tender documents may be rejected.



The Tender documents comprise the following:

VOLUME I-Technical Proposal

Section - I	Invitation to Bid
Section - II	Instructions to Bidders
Section - III	Terms Of Reference/Technical Evaluation Criteria/ Forms
Section - IV	General Terms & Conditions
Section - V	Special Conditions of Tender Document
Section - VI	SOEs Act, 2023 / State Owned Enterprises (SOEs) Ownership and Management Policy, 2023 / The State Owned Enterprises (C-Level Appointments) Guidelines 2024

VOLUME II-Financial Proposal

Section - VII	Schedule of Requirement/Bid Form
Section- VIII	Bid Bond, Performance Bond, Format of Declaration, Contract Form, Form X, Beneficial Owner's information, Form of Bid Securing Declaration.
Section - IX	Blacklisting Mechanism/ Affidavit of Compliance with IMS Manual /SSTW-05

RFP will be submitted online on EPADS Portal on or before **30-04-2026 at 1100** hours. The RFP will be publicly opened at **1130** hours on same day online on EPADS in the presence of bidders and / or their authorized agents who may wish to attend.

Yours faithfully,



For **General Manager (Procurement)**




14/04/26

TECHNICAL
PROPOSAL



SECTION - II

INSTRUCTIONS TO BIDDERS



SECTION - II

Instructions to Bidders

1. All rates quoted in the prescribed SOR / BOQ shall be firm, irrevocable and not subject to change or escalation on any account what so ever. No modification, alteration or deletion in the bid will be accepted after the bid opening time.
2. Sealed Bids shall be received at Company's Head Office, ST-4/B, Block - 14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi, up to specified time & date and will be opened publicly at specified time & date, in the presence of Bidders or their authorized representatives who choose to attend. In case the bid opening date falls on a holiday or due to some unavoidable circumstances, it is not possible to open on scheduled date, it will be opened on next working day at the same time.
3. All original bid documents accompanied with the bid bond shall be submitted by the Bidder in the envelope provided with tender documents. The sealed Bids must be submitted at the address stated above in person or by courier or by any other means but it shall be the Bidder's responsibility to ensure that Bids so submitted are delivered to the above address before the specified Bid opening date and time. The Company shall not be held responsible in any way for late receipt of Bids or their confidentiality. Bids received after the Bid closing time shall not be considered, and will be returned to the Bidder unopened.
4. In Case of single stage two envelop bidding system (if mentioned in press advertisement & Tender document), sealed technical offer & sealed bid shall be submitted in separate envelopes (bid bond will be enclosed with "Financial" bid unless and until specified separately in tender terms). "Technical" and "Financial" is to be mentioned on the top of the envelop. Technical offers will be opened and evaluated first. Financial offer of only technically complaint bidders will be opened at a later intimated date in presence of bidder's representative. Financial offers of technically non-complaint bidders will be returned un-opened along with their bid bond.
5. The Bid should be signed by a person having the authority for this purpose. In case of a bid submitted by a corporate entity, the same shall bear its seal and be duly signed by its secretary.
6. Bids shall be submitted strictly in accordance with the requirements of the Tender Documents and as per specifications.
7. Bid shall remain valid for acceptance for a period of (120) days from the date of public opening of the bids.
8. The Company shall not reimburse any expenses incurred in preparation of Bids.
9. The Bid and all subsequent correspondence shall be in the English language.
10. Payment for the Contracted Work / Services will be made in Pakistani Rupees only. The rates quoted by the Bidder shall therefore, be in Pakistani Rupees.
11. In case of any queries / clarification with regard to this Tender, the same may be forwarded to Procurement Department upto 5 days before the bid opening date, thereafter the request will not be considered.
12. The Company reserves the right to reject any or all Bids without assigning any reason and cancel the bidding process. Company also reserves the right to accept the whole or a part of Bid and does not bind itself to accept the lowest or any particular Bid.
13. In case of any conflict between the Special Terms & Conditions and elsewhere in the tender documents the Special Term & Conditions, will supersede & prevail.
14. Each and every page of the bid documents being submitted by the bidders shall be signed and stamped failing which the bid may be liable for rejection.
15. All documentary evidence required for evaluation of bid should be submitted along with the bid in absence of any documentary evidence no marks will be awarded in accordance to the evaluation criteria.
16. In order to maintain cordial business relation and as per ethical business approach, please provide the justification in case of your non participation on our Fax # 99231583 & Email. mmte@ssgc.com.pk
17. Conditional Bid will not be accepted and liable to be rejected.
18. The quoted unit price and corresponding total amount shall be inclusive of all duties and Taxes and excluding provincial Sales Tax as per provincial laws.
19. Sealed bids shall be mailed/submitted/dropped in tender box placed at Tender Room, CRD Building, SSGC Head Office. Bids are to be delivered on or before closing time after which bid will not be entertained. If a bid is sent through courier, the same shall be delivered at least half an hour before scheduled opening time.
20. Price given in the Bid Form/BOQ is firm which shall take into account all relevant factors including any Discount / escalation given separately at the time of bid opening will not be considered.
21. The bidders are required to fill form SSTW-45 (if deemed required) and submit with the bid.



TENDER NO. SSGC/SC/

 **Sui Southern Gas
Company Limited**
Human Resource Department

Sui Southern Gas Company
SSGC House, St-4/B, Sir Shah Suleman Road
Gulshan-e-Iqbal
Karachi



Table of Contents

1. Scope of Services:.....	3
2. Adherence to the Process:.....	5
2.1 Designing & Publication of Advertisement:.....	5
2.2 Processing of Applications:.....	5
2.3 Assessment and Interviews:.....	6
3. Reference Check:.....	6
4. Reimbursement of Ancillary Expenses:.....	6
5. Performance Standards:.....	7
6. Personal Liability:.....	7
7. Warranties and Covenants:.....	7
8. Taxes and Duties:.....	7
9. Withdrawal of Positions:.....	7
10. Termination for convenience:.....	7
11. Confidentiality:.....	7
12. Governing Law and Dispute Resolution:.....	7
13. Timelines:.....	8
14. Contract Award Criteria:.....	8
15. Positive Company Image:.....	8
16. Payment to Headhunting Firm:.....	9
17. Contract Period.....	9
18. Bid Security.....	9
19. Performance Security:.....	9

1. Scope of Services:

- I. The Headhunting Firm(s) will have to provide Headhunting services for C-Suite Positions, other Senior Management positions or any specialized / Business Critical Positions mentioned in BOQ of the tender document in accordance with the guidelines and directions of the SSGC Management to be issued from time to time. Please refer BOQ for details.
- II. For C-Suite Positions, the HR Consultancy / Headhunting Firm shall develop a comprehensive evaluation mechanism for candidates in conformity with the requirements of SOEs Act (2023), SOEs Ownership and Management Policy (2023), and CMU Guidelines for C-Level Appointments (2024), Companies Act (2017) and these Terms of Reference (TORs) for the positions referred to HR Consultancy / Headhunting firm. The HR Consultancy / Headhunting Firm shall also establish a screening / shortlisting mechanism and after screening / Shortlisting and evaluation shall provide at least ten most suitable profiles along with their assessment against each position, so as to assist the SSGC Management / Board's HR&NC Committee and, the SSGC Board, for the final selection.
- III. The Headhunting Firm shall ensure quality assessment through accuracy, credibility and transparency as per professional standards and to undertake adequate measures to maintain confidentiality during entire evaluation process.
- IV. For C-Level Positions, the HR Consultancy / Headhunting Firm shall ensure that the candidates should submit applications for the relevant post along with all annexures (like Fit & Proper Criteria) in the manner provided in the SOEs Act, 2023, SOEs Ownership and Management Policy - 2023, Companies Act (2017) and CMU Guidelines, 2024 including submission of declaration on Stamp Paper duly notarized and witnessed, where required. This requirement should be specifically and clearly mentioned in the advertisement for C-Level Positions.
- V. The HR Consultancy / Headhunting Firm shall use the evaluation criteria provided in the Fit and Proper Criteria in framework which requires that the following factors shall be taken into consideration while evaluating the candidates:
 - i) Competence and capability;
 - ii) Probity, personal integrity and reputation; and
 - iii) Financial integrity.
- VI. Therefore, in line with the above, HR Consultancy / Headhunting Firm shall give due consideration to the following while evaluating the candidates:
 - i) Sectoral expertise;
 - ii) Organizational awareness;
 - iii) An understanding of the role of the government as a shareholder;
 - iv) Financial literacy and business acumen, irrespective of the professional background;
 - v) The capability for a wide perspective on issues; and
 - vi) Leadership qualities.



Jam Raza
SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department

Terms of Reference (TOR) – Selection of HR Consultant / Headhunting Firm

- VII. The screening /shortlisting process at Headhunting firm shall comprise interview assessments by seasoned professional experts with exceptional track record.
- VIII. The Headhunting Firm shall provide, the list of most suitable candidates (at least ten most suitable candidates against each position) in the order of merit / rank, to the SSGC.
- IX. Before calling for interviews, the HR Consultancy / Headhunting Firm should ensure that all the candidates are in compliance with the requirements of the fit and proper criteria as envisaged in the framework.
- X. In addition to shortlisted candidates, SSGC reserves the right to ask the Headhunting Firm to provide comprehensive list of all applicants along with the record of the entire process having therein the evaluation of all the applications received duly mentioning the profiling/strength & weaknesses of applicant's candidature for respective position.
- XI. The Headhunting Firm shall provide access to the process as and when required by SSGC for monitoring purpose.
- XII. The Headhunting Firm shall ensure that there is no conflict of interest of any of its shortlisting team with candidates.
- XIII. The Headhunting Firm shall ensure that the entire evaluation process shall be carried out in highly transparent, professional and objective manner using most modern techniques and best HR practices prevalent in the corporate world.
- XIV. The Headhunting Firm shall be exclusively responsible to address complaints, demands and claims if any from the prospective candidates or any third party with regard to short-listing of candidates by the Headhunting Firm or any other act done in the course of performance of its duties accruing from the contract. The Headhunting Firm also undertakes to indemnify SSGC against any such complaints, demands and claims.
- XV. The Headhunting Firm shall ensure that all applicable laws are strictly adhered to in the course of evaluation process.

Jamsheed Raza

SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department



2. Adherence to the Process:

2.1 Designing & Publication of Advertisement:

- I. Based on the job description provided by SSGC against each position, the successful Headhunting Firm will design a cost effective advertisement for inviting applications for recruitment to the posts and submit the same to SSGC for approval within 2 days.
- II. In case the content submitted is not approved by the SSGC Management, the Headhunting Firm shall have to modify the same in accordance with directions of the SSGC Management within a day.
- III. After approval the Headhunting Firm shall advertise the positions in the newspaper on the date advised by the SSGC Management in two (02) widely published National newspapers (English) while providing 15 days for applying against the positions. Expenses related to advertisement shall be reimbursed by SSGC as per clause 4(I).
- IV. The advertisement must be published within a week of issuance of LOI or on the date as advised by SSGC Management.
- V. The advertisement should clearly define the job specifications and responsibilities against each position.
- VI. The advertisement published in newspapers should be brief and precise, however a detailed one should be published on the Headhunting Firm's website if and when required by SSGC.

2.2 Processing of Applications:

- I. A complete record of applicants for each position shall be maintained by the Headhunting Firm.
- II. After receipt of applications for a position, the Headhunting Firm shall carefully examine each application determining its eligibility against specified criteria (Job Description/Responsibilities and Job Specification) and shall maintain a computerized record of those applications.
- III. Headhunting Firm shall rank the eligible candidates and conduct interview to further assess the suitability of the applicants.
- IV. Headhunting Firm may include eligible candidates from his existing pool (databank) but shall interview them to determine their suitability and their concurrence to apply for positions in SSGC. However, such candidates should apply appropriately with headhunting firm.
- V. The Headhunting Firm shall prepare ranked lists of shortlisted candidates along with their brief profile and reasons of acceptance. SSGC reserve the right to ask for the lists of rejected candidates with reason of rejection.
- VI. SSGC reserves the right to ask the Headhunting Firm to submit the complete information including complete record of applicants, shortlisted/rejected candidates with ranking, their brief profiles and reasons of acceptance/rejection to Senior General Manager/General Manager (HR), SSGC.



Jamsheed Raza

SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department

Terms of Reference (TOR) – Selection of HR Consultant / Headhunting Firm

- VII. SSGC shall review the submitted information and has the right to further reject/accept the candidates from the supplied lists. In case, the candidates does not seem suitable to SSGC against certain position, Headhunting Firm shall further arrange suitable candidates for that position in time specified by SGM/GM (HR).

2.3 Assessment and Interviews:


- 2.3.1 The HR Consultancy / headhunting firm shall provide their assessments and ranking of all the referred shortlisted candidates for all positions.
- 2.3.2 The headhunting firm under the guidance of the SSGC Management shall take necessary measures to call candidates for selection interview, which may also require dispatching of interview call letters individually to the selected candidate. Headhunting firm shall ensure compliance with the requirements of SOEs Act, 2023, SOEs (Ownership and Management Policy) - 2023, Companies Act (2017) and CMU Guidelines 2024 throughout all the recruitment process at their end.
- 2.3.3 If required by SSGC the Headhunting Firm shall arrange additional resume of candidates, especially if less than ten or none of candidate(s) are found to be suitable by SSGC after interviewing process, within timeline specified by SSGC.
- 2.3.4 Board's Committee will undertake interviews of the shortlisted candidates for Senior Management Positions or C-Level as per CMU Guidelines. If required, Final interview may be taken by the SSGC Board as per the recommendation of the Board's Committee to further assess their suitability.

3. Reference Check:

The Headhunting Firm may also be required to perform reference check of the candidates, if offered employment in Sui Southern Gas Company Limited; written verification report by the Headhunting Firm in this regard with supporting documents shall be presented to SSGC including evidence of last drawn salary and roles / responsibilities with latest employer.

4. Reimbursement of Ancillary Expenses:

- 4.1 Any expenditure incurred on account of advertisement shall be admissible against production of valid documentary evidence i.e. invoice from advertisement agent and copy of the published job advertisement in newspaper to allow reimbursement on actual.
- 4.2 Similarly, expenses incurred on purchase of air ticket (economy class) extended to selected candidate(s) for interview by SSGC shall be reimbursable to headhunting firm upon production of used counter part of boarding pass and invoice / receipt signifying purchase of ticket and corresponding payment transaction. However, such permission shall be sought from SSGC before incurring such cost.
- 4.3 Any other expenses in connection with Headhunting services shall be admissible with the permission of SSGC's Management (subject to prior approval).


JAM SHEED RAZA
Acting Chief Manager
Human Resource Department



5. Performance Standards:

The Headhunting Firm undertakes to perform the services more specifically with the highest standards of professional/ethical competence and integrity. Furthermore, the Headhunting Firm undertakes to verify the fitness, accuracy and veracity of the employee's qualification / credentials (including prior Employment Certificates), prior to finalizing and recommending the short listed candidates to SSGC.

6. Personal Liability:

The Headhunting Firm shall be held liable for its inability to meet SSGC deadlines and would also be responsible upon its willful failure to perform the services enumerated herein.

7. Warranties and Covenants:

- 7.1 The Headhunting Firm hereby covenants that it has obtained all permissions, and is conversant to / compliant with all relevant laws, rules and regulations and should meet international standards of research / best practices.
- 7.2 The Headhunting Firm also undertakes to meet all deadlines set by the SSGC Management for the successful search of suitable candidates for specified advertised positions.

8. Taxes and Duties:

The payment of fee to the Headhunting Firm will be subject to deduction of all applicable taxes and duties as per prevailing applicable tax laws, rules and regulations.

9. Withdrawal of Positions:

The Company reserves the right to withdraw one or more positions at any time (before and during the execution of contract), especially, if the referred candidates do not meet the desired quality and experience.

10. Termination for convenience:

In case of termination for convenience under clause 18 (iii) of the general terms and conditions, the Company may terminate the contract for convenience with immediate effect.

11. Confidentiality:

The Headhunting Firm shall ensure that his attorney, officers, directors, Headhunting Firms and agents, each of its respective permitted successors and assigns, will hold in confidence all information (i.e. documentary or otherwise) which is confidential in nature to avoid breach of confidentiality.

12. Governing Law and Dispute Resolution:

The signed contract shall be solely governed by the substantive and procedural laws of the Islamic Republic of Pakistan and the venue of such arbitration proceedings shall be Karachi, under Arbitration Act 1940.



SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department

Terms of Reference (TOR) – Selection of HR Consultant / Headhunting Firm

13. Timelines:

The firm shall have to exhibit fair understanding of the intended assignment vis-à-vis exigency of services and has to accordingly agree with the specified work plan/timelines for making efficient recruitment corresponding to the level of positions/expertise.

14. Contract Award Criteria:

14.1 A "single stage, two envelope bidding procedure" under "Procurement of Consultancy Services Regulations, 2010" shall be followed for evaluation and selection of the Headhunting firms / HR consultant firm by invoking quality & Cost method (60:40) on complete package basis.

Technical Weightage of Qualified bidder (X)	$\frac{\text{Marks obtained by qualified bidder}}{\text{Highest Marks obtained by qualified bidder}}$	x	60
Financial Weightage of Qualified bidder (Y)	$\frac{\text{Lowest Bid}}{\text{Quoted bid}}$	x	40

Final Score	Weightage		Total Marks (X+Y)
	Technical (X)	Financial (Y)	

- 14.2 Participating Headhunting Firm(s) shall be evaluated initially against technical evaluation criteria attached at Annex A. Only technically responsive bidders will be invited for participation in opening of their Financial Proposal. Please refer relevant section for forms and ensure submission of documentary evidence required for technical evaluation as per the attached forms. Without submission of documentary evidence, no marks shall be awarded against that criteria.
- 14.3 The Bids will be evaluated based on the Quality and Cost based selection methodology as prescribed above. The responsive bidder securing highest score shall be considered as successful for awarding the contract.
- 14.4 The financial aspect shall be derived from the consolidated / package wise quote of the bidder against the BOQ.
- 14.5 In case of tie between two or more bidders, the lot shall be awarded to the bidder with highest technical evaluation score. In case of tie on highest technical evaluation score as well as financial, then the contract shall be awarded to the bidder with highest number obtained against "Experience of Successful Placement."
- 14.6 Position titles and Job Descriptions for recruitment shall be shared after issuance of LOI to the successful Bidder.

15. Positive Company Image:

It will be responsibility of Headhunting firm to depict and develop a positive image of Sui Southern Gas Company among prospective job seekers and applicants.



Jamshed Raza

SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department

16. Payment to Headhunting Firm:

- 16.1 The payment to Headhunting Firm for their services will be subject to successful placement of any or all positions on the quote against the filled position, i.e. Invoice may be raised by the headhunting firm for payment after each successful placement. Headhunting firms shall submit all documents required by SSGC including but not limited to i.e. invoice, SST return and any other document required. However, if selected candidate(s) leaves the Company (SSGC) within six months of joining, Headhunting firm will be liable to arrange additional profiles for that position(s) without any additional cost to SSGC and no claim for payment in this regards shall be entertained.
- 16.2 However, advertisement reimbursement will be made within 30 days after receipt of invoice by Headhunting Firm(s) along with newspaper clippings subject to issuance of LOI.

17. Contract Period

The contract period would start from the issuance of LOI and would be initially be of 12 months subject to satisfactory performance further extendable solely on the discretion of the Company's Management.

18. Bid Security

The Headhunting Firm(s) will need to submit Rs. 10,00,000 bid security.

19. Performance Security:

The bid security will be retained as PBG of successful bidder.



SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department



Technical Evaluation Criteria For Engaging The Services Of HR Consultant Firm / Headhunting Firm

S#	Description	Marks	
		Allocated	Awarded
1	Incorporation/Experience	5	
1.1	<ul style="list-style-type: none"> • More than 7 years of Incorporation • More than 5 years up to 7 years of incorporation • 3 years up to 5 years of incorporation 	5 3 2	
2	Unique Clientele	20	
2.1	Experience of providing recruitment services to Multinational / Reputable Companies / Public Sector Utility / SOEs, in last 3 years, in Pakistan. <ul style="list-style-type: none"> • Clientele of 50+ Companies • Clientele of 30 to 49 Companies • Clientele of 20 to 29 Companies 	20 15 10	
3	Experience of Successful Placement	40	
3.1	C- Level Hiring experience like CFO, CIA, CEO, COO / DMD in SOEs / Public Sector Companies in last three years (Senior Leadership Positions carrying Minimum 20 years of work experience including 7 years Leadership experience) <ul style="list-style-type: none"> • 15 and above • 8 - 14 • 5 to 7 	25 20 10	
3.2	No of Departmental Heads recruited in last 03 years (Senior Management Positions carrying Minimum 15 years of work experience including 4 years Leadership experience) <ul style="list-style-type: none"> • 50 and above • 25 to 49 • 15 to 24 	15 10 5	
4	Professional Staff	10	
4.1	Panel of recruiters with minimum recruiting experience of at least 5 years to carry out Screening, Shortlisting and Interview for Senior Management & Leadership Positions / C- Suite Positions. <ul style="list-style-type: none"> a) 9 and above recruiters b) 6 to 8 recruiters c) 4 to 5 recruiters 	10 7 5	
5	Financial strength	10	
5.1	Turnover per Annum for last financial year: <ul style="list-style-type: none"> • Rs 30 million and above • Rs 20 million to Rs 29.9 million • Rs 10 million to Rs 19.9 million 	10 7 3	
6	Office Setup	5	
6.1	<ul style="list-style-type: none"> • A well established Corporate office • A well established interview/assessment room 	3 2	
7	Online Recruitment Portal	5	
7.1	Firm having recruitment online portal capability <ul style="list-style-type: none"> • Having portal and used in more than 5 projects = 5 marks • Having active portal capability with 1-4 projects = 2 marks • No portal = 0 marks 	5 2 0	
8	Legal Status of the firm	5	
8.1	<ul style="list-style-type: none"> • Private Limited • Partnership • Proprietorship 	5 3 1	
Total Marks		100	
Qualifying Marks		70	

Note:

1. Please refer to the forms attached with Technical Evaluation Criteria and instructions for submitting supporting documents / evidences. Without supporting documents, no marks shall be awarded.




SYED JAMSHEED RAZA
 Acting Chief Manager
 Human Resource Department

Form 1.1

1.1	Incorporation/Experience	Allocated Score	Max Score
a	+7 Years	5	5
b	+05 to 07 Years	3	
c	03 to 05 Years	2	

Title of Business	Date of Incorporation as per Certificate	Years of Experience as HR Consultant Firm / Headhunting Firm

(Signature of Firm)
Name / Stamp

Note: Incorporation Certificate or any evidence that reflects business experience of the firm. In the absence of appropriate documentary evidence, no marks shall be awarded.



SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department



2.1	Experience of providing recruitment Services to Multinational/Reputable Companies / Public Sector Utility/ SOEs, in last 3 years, in Pakistan.	Allocated Score	Max Score
a	Clientele of 50 + Companies	20	20
b	Clientele of 30 to 49 Companies	15	
c	Clientele of 20 to 29 Companies	10	

S. No.	Name of Organization	Position Recruited	Date of Recruitment
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

(Signature of Firm)

Name / Stamp

Note: Please submit documentary evidence in the form of completion certificate or final payment certificate or Email or any relevant document depicting completion of assignment with date. In the absence of appropriate documentary evidence, no marks shall be awarded.



SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department

3.1	C-Level Hiring experience like CFO, CIA, CEO, COO / DMD in SOEs / Public Sector Companies in last three years (Senior Leadership Positions carrying Minimum 20 years of work experience including 7 years Leadership experience)	Allocated Score	Max Score
a	15 and above	25	25
b	8 - 14	20	
c	5 to 7	10	

S. No.	Name of Organization	Position Recruited	Candidate's Work Experience	Candidate's Leadership Experience	Date Of Recruitment
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

(Signature of Firm)
Name / Stamp

Note: Please submit documentary evidence in the form of completion certificate or final payment certificate or Email or any relevant document depicting completion of assignment with date. In the absence of appropriate documentary evidence, no marks shall be awarded.



Jamsheed Raza
SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department

3.2	No of Departmental Heads recruited in last 03 years (Senior Management Positions carrying Minimum 15 years of work experience including 4 years Leadership experience)	Allocated Score	Max Score
a	50 and above	15	15
b	25 to 49	10	
c	15 to 24	5	

S. No.	Name of Organization	Position Recruited	Candidate's Work Experience	Candidate's Leadership Experience	Date Of Recruitment
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

(Signature of Firm)
Name / Stamp

- Note: Please submit documentary evidence in the form of completion certificate or final payment certificate or Email or any relevant document depicting completion of assignment. In the absence of appropriate documentary evidence, no marks shall be awarded.

Jamsheed Raza

SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department



4	Panel of recruiters with minimum recruiting experience of at least 5 years to carry out Screening, Shortlisting and Interview for Senior Management Positions / C- Suite Positions.	Allocated Score	Max Score
a	9 and above recruiters	10	10
b	6 to 8 recruiters	7	
c	4 to 5 recruiters	5	

S. No.	Name of Recruiter	Total Recruiting experience	Number of Years' of Recruiting Experience of Senior Management Positions / C- Suite Positions.	Affiliation with Firm (Date)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

(Signature of Firm)
Name / Stamp

Note: Please submit detailed recruiter profiles/CVs clearly indicating relevant qualifications, experience, recruiting expertise and any professional certifications. Each profile must be accompanied by valid documentary evidence. In the absence of relevant supporting documents, no marks shall be awarded.



SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department



5	Financial Stability Turnover per Annum for last* financial year:	Allocated Score	Max Score
a	Rs 30 million and above	10	10
b	Rs 20 million to Rs 29.9 million	7	
c	Rs 10 million to Rs 19.9 million	3	

S. No.	Turnover (Last year)	Supporting Document
1		

(Signature of Firm)
Name / Stamp

Note: *Please provide audited financial statement FY2024-25 or in case of non-closure of accounts, audited financial statement of FY2023-24 or any other suitable evidence that can depict annual Turnover be provided. In the absence of appropriate documentary evidence, no marks shall be awarded.



SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department



Form 6

6	Office Setup	Allocated Score	Max Score
a	A well established Corporate office	3	5
b	A well established interview/assessment room	2	

S. No.	Office Address	City / Country	Contact Number
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

(Signature of Firm)
Name / Stamp

Note: Please submit documentary evidence to support the availability and adequacy of your office setup. This may include Photographs of interview / assessment room / lease agreements / Facility layout etc. In the absence of appropriate documentary evidence, no marks shall be awarded.


SYED JAMSHEED RAZA
 Acting Chief Manager
 Human Resource Department



7	Online Recruitment Portal Firm having recruitment online portal capability	Allocated Score	Max Score
a	Having portal and used in more than 5 projects	5	5
b	Having active portal capability with 1-4 projects	2	
c	No portal	0	

S. No.	Name of Organization	Position Recruited	Recruitment Date
1			
2			
3			
4			
5			

(Signature of Firm)
Name / Stamp

Note: Please provide the working link of the recruitment portal along with relevant snapshots/screenshots of the online recruitment system. Documentary evidence demonstrating that each recruitment process was conducted through the portal must also be submitted. Such evidence may include job advertisements issued by the recruiter indicating that applications were required to be submitted through the recruiter's portal. In the absence of adequate documentary evidence, no marks shall be awarded.



Jamsheed Raza
SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department

8	Legal Status Of The Firm	Allocated Score	Max Score
a	Private Limited	5	5
b	Partnership	3	
c	Proprietorship	1	

Legal Status Of The Firm	Supporting Document

(Signature of Firm)
Name / Stamp

Note: Please provide relevant documentary evidence that depict Legal Status of HR consultant firm/ Headhunting Firm with a registered body. In the absence of appropriate documentary evidence, no marks shall be awarded.



Jamsheed Raza
SYED JAMSHEED RAZA
Acting Chief Manager
Human Resource Department

SECTION - IV

General Terms & Conditions**1. Definitions and Interpretation:**

1.1

In these tender documents (as hereinafter defined) the following words and expressions shall have the meaning hereby assigned to them except where the Tender requires otherwise.

- a) **Company** means the Sui Southern Gas Company Limited; a Company registered under statutes of Pakistan and includes any successors-in-interest or assignees.
- b) **Engineer** means the Engineer(s) nominated by the Company to look after and supervise the Work.
- c) **Representative of the Company** means a duly authorized person appointed by the Company or as specified in the "Special Conditions of the Contract" to perform the assigned duties.
- d) **Bidder** means any person or persons, firm or company bidding for the Work.
- e) **Contractor** means the persons, firm or company whose Tender (as hereinafter defined) has been accepted by the Company and includes the Contractor's representatives, sub-Contractors, successors and permitted assignees (Prior to the execution of the Contract the word "Contractor" also means a Tenderer or Bidder submitting a proposal in accordance with the Tender Documents).
- f) **Agent or Representative** means person(s) appointed by the Contractor to perform duties as set forth in the Contract.
- g) **Laborers/Workmen** means such laborers/workmen and staff as may be employed by the Contractor for purpose of carrying out the Work.
- h) **Sub Contractor** means any firm or person having a direct Contract with the Contractor. Nothing contained herein however, shall be deemed or be construed to impose upon the Company, any obligation, liability or duty to a sub-contractor or to create any contractual relation between any sub-contractor and the Company.
- i) **Work** means whole of the Works / Services or part thereof to be executed in accordance with Tender / Contract documents, whether temporary or permanent and whether original, altered substituted or additional.
- j) **Contract Documents** shall consist of duly executed Articles of Agreement, the Tender Documents and the Tender submitted by the successful Bidder including modifications thereto incorporated in the documents before and after the execution of the Contract.
- k) **Contract Price/Value** means the sum named in Schedule of (SOR) / BOQ subject to additions thereto or deductions there from as may be made under the provisions hereinafter contained.
- l) **Plant** means all machineries, equipment, materials, appliances or things of whatsoever nature required in or about the execution, completion or maintenance of the Work, but does not include such equipment, materials, appliances or things intended to form part of the permanent Work.
- m) **Temporary Works** means all temporary works of every kind required in or about the execution, completion or maintenance of the Work.
- n) **Drawings** means the drawings referred to in the Contract documents and any modification of such drawings.
- o) **Location** means the land and other places on, under in or through which the Work is to be executed or carried out and other lands or places provided by the Company for the purpose of the Contract.
- p) **Approved/Approval** means approved/approval in writing by Company's representative or as specified in "Special Conditions of Contract".
- q) **Tender/Bid** means the offer tendered by the Bidder for the Work governed by the Contract.
- r) When the terms Acceptable, Satisfactory, Proper, or other such general qualifying terms are used in the Contract, it shall be understood that reference is made to be sole ruling and the sole judgment of the Company.
- s) The Word Equivalent or Equal where used in these documents in the general sense shall not mean Similar but shall mean "Conforming to, Like, of Kind/Quality and Function". "Proprietary Items" and "Trade Names" are used for the purposes of establishing a standard of "Kind, Quality and Function" and "Equipment" items, articles, things or materials will be approved, if held to be "Equivalent" by the Company.
- t) **Approved Banker** wherever occurring in this Contract shall mean a Scheduled Commercial Bank operating in Karachi and acceptable to the Company.



- u) **Specification(s)** means the standard codes of practice and other specifications issued with the Tender and any notification such as specifications approved in writing by the Company and other specifications as may from time to time be furnished or approved in writing by the Company.
- v) **Month** means calendar month of the Christian era.
- w) **Time Schedule** is a graphical illustration of the time span of various Work activities defining starting and completion dates.
- x) **Bonds** mean Bid Bond, Performance Bond or Bank Guarantee and other instruments of security furnished by the Bidder of his surety in accordance with the Tender/Contract.
- y) **Completion Date** means the date on which the Work has been completed in accordance with the Contract so that it can be utilized for intended purpose.
- z) **Day** means a day of 24 hours mid night to mid night.
- aa) **Completion Period** means the time allowed for the execution of the Work.

1.2 Words importing the singular only also include the plural and vice-versa where the Contract so requires.

1.3 The marginal headings or notes in these Conditions of Contract shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof or of the Contract.

1.4 If there is any conflict between the Special Conditions and the General Conditions, the Special Conditions shall modify, supplement and supersede the General Conditions.

2. **Examination:**

Bidders shall visit/inspect/examine the Work & Location and shall fully acquaint themselves with the nature and requirements of Work/Services, access to Work/Location, availability of materials, weather, law and order and local conditions etc. before submitting their Bids. Submission of the Bid shall be prima facie evidence that the Bidders have fulfilled this requirement and shall be binding upon him.

3. **Conflict between Drawings/Specifications/SOR:**

In case of any conflict between drawings/specifications, SOW/TOR and SOR/BOQ, with regard to the quality of any item, the Contractor / Consultant shall base his quotation for the better quality. In case of any deficiency in the drawings/details, the Contractor / Consultants shall seek clarification from the Company. Submission of Bids/rates on the basis of incomplete drawings/details shall be Contractor / Consultant's sole responsibility.

4. **Additions, Deletions:**

The Company reserves the right to make addition (Upto 15 %) and delete the quantity from the Work defined in SOW/TOR/SOR/BOQ as deemed necessary before or after the execution of the Contract. All such additions and deletions shall only be authorized in writing by the Company.

5. **Schedule of Requirement:**

The quantities specified in the SOR/BOQ are estimated and are intended to serve only as a guide to the Bidders. Payments shall be made on the basis of actual Work quantum done as measured. No claims or adjustments shall be entertained/allowed on account of increase or decrease in the Scope of Work which has not been duly authorized by the Company through the issue of change orders as stipulated in the relevant provision.

6. **Rate:**

The Bidder shall quote all item rates and lump sum prices as shown in the "SOR/BOQ". Bidders shall fill in the rate / price for each item in the SOR/BOQ. In case of any discrepancy between item rate and the amount, the quoted item rate will prevail. The quantities given in the SOR/BOQ are estimated ones and are subject to variations. That is, there could be increase or decrease. Nevertheless, the item rates quoted by the Bidder shall remain fixed and no escalation whatsoever shall be permissible. The rates / prices quoted by the Bidder shall be workable. The Bidder shall be required to furnish a complete rate analysis of any item in the SOR/BOQ as considered necessary, by the Company.

7. **Escalation:**

It may be clearly understood that this tender does not contain a price variation clause and therefore, all unit prices quoted shall be firm, irrevocable fixed and valid until completion of the Contract and will not be subject to variation on any account.

8. **Validity:**

Bids shall remain valid for acceptance for a period of (120) days from the date of bid opening. If the last date falls on a holiday, the validity will be extended to the first Company working day thereafter.

9. **Bid Bond (Earnest Money):**

The Bidder is required to furnish Bid Bond strictly in accordance with the prescribed format, in the form of a Pay Order, Demand Draft or Bank Guarantee issued only by a scheduled commercial bank operating in Karachi, for an amount fixed bid bond as specified of tendered Work / Services quoted by the Bidder in favor of Sui Southern Gas Company Limited. No Bid shall be considered without a Bid Bond and no cash or cheque or a guarantee issued by an insurance company shall be accepted.



The Bid Bond shall remain valid for a period of 150 days from the date of Bid opening. Bid Bonds of the unsuccessful Bidders shall be returned as soon as practicable, The successful Bidder's Bid Bond shall be retained by Company until execution of a Contract for the Work / Services defined in these documents and the submission of a Performance Bond prior to the execution of Contract.

In the event that the successful Bidder refuses or fails to provide (PBG) and Stamp papers for contract within fifteen (15) days of the issuance of a Letter of Intent, Company shall be at liberty to forfeit the Bid Bond.

In the event of the bid bond validity falling short of the prescribed period of 150 days as the case may be either (i) due to extension in the bid submission date or (ii) where so required by the procuring agency, than in such an event it shall be mandatory on the bidder to extend the bid bond validity up to 150 days within 30 days of the opening of technical proposal / bid, and / or where so required by the procuring agency.

In case when bidder submit alternate bids a separate bid bond for each bid is required otherwise bid will be liable for rejection. In case of Single Stage Two Envelope bidding system (bid bond will be enclosed with "Financial" bid, unless and until specified separately in Tender terms).

The bid bond may be forfeited if a bidder withdraws the bid during validity period specified by the bidder or if successful bidder fails to:

- Accept purchases order/LOI,
- Furnish performance guarantee in accordance with clause 10 of General Terms & Conditions,
- Extend Services as per requirement and completion Period.

10. Performance Bond:

The Bidder shall furnish a Performance Bond strictly (if the bid increases to Rs. 500,000/-) in accordance with the prescribed format in the form of a bank guarantee issued by a scheduled commercial bank operating in Karachi for an amount equivalent to _____ () percent of the Contract value. Failure to furnish the performance Bond before execution of the Contract will entitle the Company to consider the Bidder as having abandoned the Contract and the forfeit the Bid Bond. The Performance Bond shall remain valid till after three (03) month of completion of the work.

The Company's right to recover damages from the Bidder for breach of Contract shall not be limited to the value of the Performance Bond. In the event of the Bidder failing to execute a formal Contract or to submit the Performance Bond in the manner aforesaid and in the period specified, the Company shall be entitled to appropriate the earnest money submitted by the Bidder with his tender without prejudice to its right to claim any further loss or damage which may result to it by reason of the aforesaid default of the Bidder as if Contract is actually executed for the purpose of such claims.

The Bidder shall extend the validity period of the Performance Bond for such period(s) as required for the Contract performance.

The performance bond of the successful bidder will be released after successful completion of work.

11. Retention Money:

The amount to be retained from payments shall be equal to the specified percent of certified value of Work which would be released after the maintenance period.

12. Completion Period:

Subject to any requirements as to completion of any portion of the Work before the completion of the whole of Work, the Work shall be completed within the specified completion period. The Work shall not be considered as completed until the Company has certified in writing that it has been completed. Should extra, altered or additional Work of any kind, or any other cause of delay, which in the opinion of the Company could not have been foreseen by the Contractor / Consultant requires extension in completion time, then on the written request of the Contractor / Consultant, the completion period as provided in the Contract shall be extended by the Company. All such extensions shall be allowed in writing by the Company's representative.

13. Signing / Execution of Contract / Agreement:

Formal signing / execution of Contract / Agreement shall be completed within fifteen (15) days of receipt of "Letter to Proceed". The Company shall prepare the Contract in accordance with the prescribed format (Contract Form, and Articles of Agreement) for the purpose and the successful Bidder shall be communicated the date and time by the Company for the execution of Contract.

The successful Bidder shall provide the stamp paper, of value at the rate of thirty five (35) paise per every hundred Rupees or part thereof of the amount of the Contract, or at the prevailing rate as specified by the Government of Pakistan.



In case the agreement is executed for services i.e Janitorial, Canteen, Landscaping, Maintenance Contract etc.... will be for One year extendable for further Two terms of one year each unless specified in Special Term & conditions.

14. **Award / Evaluation Criteria:**

Company reserves the right to settle the final award of job to the technically compliant and lowest evaluated and commercially responsive bidder.

Evaluation may be carried out both on item or on group of items/single or multiple package basis depending upon the nature of requirement exclusively at the discretion of the company to ensure economic procurement.

15. **Commencement & Execution of Work:**

Notwithstanding any delay in the preparation / execution of the Contract the successful Bidder shall commence mobilization / preparations and under take the Work within (15) days after receipt of the Letter to Proceed.

The Contractor / Consultant shall prior to commencement of Work, obtain the written authority and instructions of the Company.

16. **Change in Orders:**

The Company may at any time, by a written notice to the Contractor / Consultant, make changes within the general Scope of Work of the Contract.

Upon notification by the Company of such change, the Contractor / Consultant shall submit to the Company an estimate of costs for the proposed change (hereinafter referred to as a change) within ten (10) calendar days of receipt of notice of the change, and shall include an estimate of the impact (if any) of the change on the completion date (s) under the Contract, as well as detailed schedule for the execution of the change, if applicable.

The Contractor / Consultant shall not perform changes in accordance with above, until the Company has authorized a Change Order in writing on the basis of the estimate provided by the Contractor / Consultant.

Changes mutually agreed upon as a change shall constitute a part of the Work under this Contract, and the provisions and conditions of the Contract shall apply to said change.

17. **Assignment:**

The Contractor / Consultant shall not assign, in whole or in part, its obligations to perform under the Contract except with the Company's prior written consent.

18. **Termination of Contract:**

The Company may decide to terminate the Contract in one of the following situations:

(i) **Termination for Default:**

The Company may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Contractor / Consultant, terminate the Contract in whole or in part.

(a) If the Contractor / Consultant fails to complete the contracted Works / Services within the time period(s) specified in the Contract or any extension thereof granted by the Company.

(b) If the Contractor / Consultant fails to perform any other obligation(s) under the Contract.

(c) If the Company during the completion period of the Contract has reason to believe that the Contractor / Consultant will not be able to fulfill the obligations under the Contract.

Prior to the exercising of any right by the Company to terminate the Contract, the Company shall issue notice to the Contractor / Consultant specifying the default(s) and the Contractor / Consultant shall submit an explanation within seven (07) days of receipt of such notice. If such explanation is not furnished within the stipulated time or if so furnished, is found to be unsatisfactory and / or the default(s) continues, the Contract may be terminated by the Company.

(ii) **Termination for Insolvency:**

The Company may at any time terminate the Contract by giving written notice to the Contractor / Consultant, without compensation to the Contractor / Consultant, if the Contractor / Consultant becomes bankrupt or otherwise insolvent. Notwithstanding the above such termination will not prejudice or affect any right of action or remedy which as accrued or will occur thereafter to the Company.



(iii) **Termination for Convenience:**

- a. The Company may by written notice sent to the Contractor / Consultant, terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the company's convenience, the extent to which performance of work under the Contract is terminated and the date upon which such termination becomes effective.
- b. The Works that are complete and ready for Commissioning within thirty (30) days after the Contractor / Consultant's receipt of notice of termination shall be at the Contract prices and on the existing Contract terms. For the remaining Works, the Company can also opt to have any portion thereof completed and commissioned at the contract prices and on the other contract terms.

19. **Liquidated Damages:**

If the Contractor / Consultant fails to complete the Work or perform the Services specified in the Contract within the stipulated period / scheduled time specified in the Contract, the Company, without prejudice to any other remedies, shall deduct from the bills or any other due payments / guarantees, as liquidated damages, a sum equivalent to 0.1 % per day of the value the Contract, until actual completion of the Work or performance of the Services. However if delay of over 100 days takes place (i.e. equal to 10%), the Company reserves the right to terminate the Contract at the risk and cost of Contractor / Consultant. The liquidated damages shall also be applicable for the Works / Services terminated under Clause 16.

The payment of liquidated damages shall not relieve the Contractor / Consultant from performing and fulfilling all its obligations under the Contract and nor shall the rights and entitlements of the Company be affected or reduced in any manner.

20. **Force Majeure:**

The parties will not be considered to be in default in the execution of their contractual obligations or any of them to the extent that the execution of such obligations or any of them is delayed or omitted by cause of Force Majeure. Each party will advise the other party by written notice within 07 days of the occurrence of any such case of Force Majeure. The term Force Majeure employed herein shall mean acts of public enemy, wars (whether declared or not) invasion, hostilities, revolution, epidemics, riots (other than among the Contractor / Consultant's own employees) fires, floods, earth quake, commotion, disorder and other causes similar in kind to those herein mentioned, not under the control of either party, which makes the performance of this agreement unfeasible and which by the exercise of due diligence the party seeking excuse from performance is unable to overcome.

The Company shall not be liable to the Contractor / Consultant for any damage or loss caused by Force Majeure directly or indirectly.

21. **Safety of Employees and Works:**

The Contractor / Consultant shall be responsible to take all necessary precautions for the safety of employees on or off the Work, and shall comply with all applicable safety laws and codes to prevent accidents or injury to persons on about or adjacent to the places where the Work is being performed. All statutory rules, orders, regulation from time to time in force relating to taking and observance of all safety precaution governing or which might be deemed to be given during the execution and performance of the Work. The Contractor / Consultant shall comply with any and all personnel safety regulations. Any person of the Contractor / Consultant violating the safety rules shall be removed by the Contractor / Consultant from site and replaced without delay.

22. **Insurance:**

The Contractor / Consultant shall be responsible for obtaining a Contractor / Consultant's All Risk Policy (CAR) against risks to the Works and shall make good at his own cost, all losses or damages whether to the Works or to the lives, persons, whether under the workmen's compensation Act or Third Party Risk, or property of others from whatsoever cause arising out of or in connection with the works either during the progress of the works or during the period of maintenance provided by this Contract.

The Contractor / Consultant shall arrange insurance approved by the Company fully to cover workmen compensation and other claims arising out of sickness, injury or death of his personnel working at site and also to cover theft, loss of or damage to the Company's material in his possession and to indemnify the Company for third party claims for damage done or said to have been done to those persons or their property as a result of the Contractor / Consultant's activities on and off the site.



Insurance will be required where ever applicable:**Company's Address:**

**GENERAL MANAGER (PROCUREMENT)
SUI SOUTHERN GAS COMPANY LIMITED,
2ND FLOOR, HEAD OFFICE, ST-4/B, B-14,
SIR SHAH SULEMAN ROAD,
GULSHAN-E- IQBAL,
KARACHI -PAKISTAN.**

Contractor / Consultant's Address:

23. Dispute Resolution:

If any dispute shall arise as to the interpretation of this Contract or any matter or thing arising there from, the same shall be settled as far as possible by way of amicable resolution. Failing such settlement, the dispute may be referred for arbitration to two Arbitrators, one to be nominated by each Party. The appointed Arbitrators shall before proceeding on the reference appoint an Umpire. The Award given by the Arbitrators or the Umpire as the case may be shall be final and binding on the Parties. The proceedings shall be governed by the Pakistan Arbitration Act, 1940 and any statutory modification thereof. The venue of arbitration shall be Karachi.

All costs of Arbitration shall be borne by the Parties themselves, unless otherwise ordered by the Arbitrator. Notwithstanding the existence of any difference or dispute, or the commencement or continuance of any arbitration proceedings, Works to be done or Services to be provided under this Contract shall not be suspended or discontinued by the Contractor / Consultant nor shall any payment be withheld by the Company except the difference of the amount in dispute, which is the subject matter of such proceedings.

24. Income Tax and Duties:

All kinds of Government Taxes and Duties (income tax, custom duties, etc.) also the provincial sales tax as per provincial law, against any item of the contract, shall be entirely the responsibility of the Contractor / Consultant. Income Tax will be deducted as applicable under the prevailing Government Rules. Rate of Income Tax deduction in relation to submission of Income Tax certificate from the Contractor / Consultant should also be stipulated.

All Foreign Service providers are required to obtain Advance Ruling from the Federal Board of Revenue (FBR) under Section 206A of the Income Tax Ordinance 2001 (Pakistan's Income Tax Law). The advance Ruling issued by FBR covers application of Income Tax Ordinance 2001 to Transaction proposed or entered in to Foreign Service Provider".

25. Payments:

Payment will be made within 30 days after completion of works.

The Contractor / Consultant shall submit to the Company during the execution of the Work on-account bills along with a statement / details of executed Work.

The rates and prices in such on-account bills and statement of Work shall be in accordance with those in the SOR/BOQ so far as such rates and prices are applicable and on the approved rates and prices for other items of Work. All payments against on-account bills shall be treated as provisional payments and will be subject to final adjustment.

The Company may withhold payment or on-account of subsequently discovered evidence, nullify the whole or part of any certificate to such extent as may be necessary to protect itself from loss on-account of:

- (a) Defective Work not remedied.
- (b) Claims filed or reasonable evidence indicating probable filing of claim.
- (c) Failure of the Contractor / Consultant to make payments properly to Sub-Contractor / Consultants.
- (d) Damage to another Contractor / Consultant.

When the grounds are removed payment shall be made for amounts withheld because of them.

Payments in respect of extra / additional Work will be made on the basis of the original Contract rates and the Contractor / Consultant will not be entitled to any extra compensation / payment including idle charges because of such delays.



The making and acceptance of the final payment after successful completion of Work shall constitute a waiver of all claims by the Company other than those arising from faulty Work appearing after final payment and of all claims by the Contractor / Consultant, except those previously made and still unsettled.

Supplier (s) are required to submit signed and stamped acknowledgement slip, Sale Tax return, Annex "C" & Annex "I" (whichever applicable) in which Sales Tax (of relevant Sales Tax invoice) is paid.

26. Blacklisting of Suppliers and Contractor / Consultants:

The company shall permanently blacklist or temporarily debar (at least for 6-months from participating in SSGC's tender proceeding) if, a supplier or Contractor / Consultant who either constantly fails to perform satisfactorily or found to be indulged in corrupt and fraudulent practices as defined below:

- 26.1 Corrupt and fraudulent practices includes the offering, giving, receiving, or soliciting of anything of value to influence the action of an official/company.
- 26.2 If the supplier/Contractor/ Consultant found responsible for the detriment of the company during proceedings of procurement/contract, process or its execution.
- 26.3 Misrepresentation of facts (by providing fake documents, concealing or mis-reporting facts pertaining to the bid) in order to influence the procurement process or the execution of the purchase order/contract.
- 26.4 Collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the company of the benefits of free and open competitive.

27. GOP's Obligation:

The contract shall be governed by the Law of Pakistan. The Contractor / Consultant is obligated to comply with all regulations and ordinance in force or to be passed by the Government of Pakistan in connection with Labor legislation during the course of the work to be performed. Any additional financial charges on account of revision in minimum wages by GOP will be company's responsibility while the contract is in operation.

This contract embodies the entire understanding of the parties hereto on this subject and there are no commitment, terms, conditions or obligations, oral or written, express or implied, other than those contained herein.

28. Late Bid:

Sealed bids shall be mailed/submitted/dropped in tender box placed at Tender Room, CRD Building, and SSGC Head Office, In accordance to the time specified in invitation to bid & tender notice (which ever applicable), Bids are to be delivered on or before closing time after which all bids submitted after the time prescribed shall not be entertained and will be returned without being opened. In case bid is sent through courier, the same shall be delivered at least half an hour before scheduled opening time.

29. Rebate / Discount:

Unit rate (s) given in the Bill of Quantities shall take into account all relevant factors including discount if any. Discount given separately at the time of bid opening will not be considered.

30. Joint Ventures:

In the event that the bidder is bidding as a Joint Venture, the Company will require the joint venture agreement duly executed by the parties to the Joint Venture to be submitted with the bid. The joint venture parties shall also furnish an undertaking to be jointly and severally liable for all liabilities arising out of obligation under the Purchase Order / Contract. The, Joint Venture agreement of the parties must specify share of each partner and name of the lead partner along with their registration with the FBR, SST and BST as the case may be failure to specify these two narrations the joint venture agreement will not be entertained.

31. Correction / Amendments in Quoted Price:

Any overwriting in BOQ / SOR is not allowed. In case of type of any amendment / correction required in unit price / total amount the same has to be strikeout and re-written with corrected figures, properly signed & stamped out, in order to avoid an ambiguous bid.



Section - V
Special Conditions of Tender Document
Tender Enquiry No. SSGC/SC/

Note: In case of any conflict between special conditions of Tender Document and any other terms & conditions, the Special Conditions of Tender Document will govern / prevail.

- 1- Contractor to submit the following within 15 days after issuance of Letter of Intent (LOI).
 - a. Performance Bank Guarantee
 - b. Stamp Papers
 - c. Insurance Policy
 - d. Any other Document as mentioned in the LOI
- 2- Formal contract will be made on Non-Judicial stamp paper of value @ Rs 0.35 per hundred rupees of contract value, as per prevailing rate by Government of Sindh & Balochistan. The stamp duty will be borne by the contractor and also submit the copy of challan of stamp paper. Further as per Government of Sindh Board of Revenue notification NO.CIS/SWB/BOR/R&T-17/2022-808 dated 08-06-2022 all judicial and non-judicial stamp paper of the denomination of rupee five hundred and above shall be exclusively on e-stamp.
- 3- All kinds of Government Taxes, Duties and Levies against any item of the contract, shall entirely be the responsibility of the Contractor. Income Tax will be deducted as per applicable Law under the prevailing Government Rules. Rate of Income Tax deduction in relation to submission of Income Tax certificate from the Contractor should also be stipulated.
- 4- Bank Guarantee (Bid Bond Guarantee/Performance Bank Guarantee) will be made on Non-Judicial stamp paper at the prevailing rate as specified by the respective Provinces. Further the bidder/contractor submitting the Bid Bond guarantee/Performance Bank guarantee being prepared by the State Bank's schedule banks should ensure that there should be no deletion/insertion/alteration/modification of any terms in the Bid Bond/PBG guarantee format as given in the tender document or else bid will be liable for rejection.
- 5- If the letter to proceed (LTP) by user deptt. is not issued within six months after issuance of letter of intent (LOI), both the parties are at liberty to terminate/revoke the LOI without any claim of loss or damage to the other party.
- 6- The completion period of the said work shall start with effect from the issuance of Letter to Proceed, which in case of work exigencies could be issued prior to signing of formal agreement.
- 7- In case of services and works tenders:
Bids determined to be substantially responsive will be checked by the Procuring Agency for an arithmetic error. Errors will be corrected by the Procuring Agency as follows;
 - a. Where there is a discrepancy between the amounts in figures and in words, the amount in words will govern ; and
 - b. Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rates as quoted will govern, unless in the opinion of the Procuring Agency there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern and the unit rate will be corrected.
- 8- The bidder shall fill in rates and prices for all items of the works / services described in the BOQ. Item against which no rate or price is entered by a bidder will not be paid for by the Procuring Agency when executed and shall be deemed covered by rates and prices for other items in the BOQ. **Any Bidder who change / amend the BOQ or Price Schedule (description, Quantity, UOM etc.) will render the bid as conditional bid and will be liable for rejection.**
- 9- **Method For Submission of Bid Bond (Under Single Stage Two Envelope Bidding Procedure):**
In case of Single Stage Two Envelope Tenders the fixed bid bond as per clause#09 of General Terms & Conditions to be placed in the Technical Proposal. However, if the bid bond is placed in the financial proposal will also be considered. Without submission of bid bond (either in Technical proposal or financial proposal) the bid will be rejected.
- 10- Bid bond submission (2%) of the bid amount as mentioned in the clause 9 of General Terms & Conditions, to be treated as null & void, however other contents of clause 9 will remain unchanged. The submission of fixed amount of Bid security is appearing in the Schedule of Requirement/Bid Form.



- a) All the bidders are advised to furnish fixed bid security (Original Instrument) as per amount appearing in Schedule of Requirement/Bid Form, failing which their bid will be rejected.
- b) The submission of fixed amount of bid security is also mandatory for all the bids valuing Rs.500,000/- or less.
- c) The word lowest bidder or the lowest evaluated bid has been substituted to read as **most advantageous bid**.
- 11- Bid shall remain valid for acceptance for period of (120) days from the date of public opening of the bids & Bid Bond validity is for 150 days.
- 12- In case the local agent requires to offer bid form more than one Principal / Manufacturer, it is mandatory to purchase separate tender document for each Principal / Manufacturer, failing which the bid submitted with the original tender document will only be accepted and the bid with photocopy of tender document will be rejected.
- 13- **Blacklisting Mechanism of Suppliers and Contractors and their Local Agent:**
Black listing mechanism is attached separately in the tender documents which will become an integral part of Tender Documents and now be followed / enforced in true letter & spirit and **supersede the Black listing terms as mentioned in the General Terms & Conditions.**
- 14- Original counter slip of token which is issued with tender document to be attached on the TOP of envelope at the time of bid submission"
- 15- The **Successful Contractor(s) / Supplier(s) / Consultant(s)** shall submit a copy of Professional Tax Certificate with their Invoices / Bills failing which the payment will not be released.
- 16- **Contracts of Contractors**
In the event the contractor is not willing to extend the CONTRACT for further term(s) / Period(s) under the same terms & conditions and the quoted price as defined in the bid documents, the contractor is liable to intimate in writing to SSGC at-least 3 (Three) months in advance prior to completion of the existing contract term / period, failing which, action will be taken as per tender terms.
- 17- **Insurance**
In addition to the Clause 22 –**Insurance**, of General Term and Condition, when The **Successful Contractor(s) / Supplier(s)** will submit Insurance Policy to SSGC, the Insurance Company (policy issuer) should be registered with SECP, otherwise the insurance policy will not be considered / rejected at contractor's risk and cost. The insurance coverage period will be according to the work completion period as mentioned in the contract / tender documents.
- 18- **Fixed Bid Security – Alternative Bid**
A bidder cannot submit two bids/offers with a single fixed bid security/pay order. However, the alternative bids/offers with separate fixed bid security/pay order can be accepted, failing which the bids will be liable for rejection.
- 19- **Bid Bond & PBG (Performance Bank Guarantee) for Proprietary Tenders**
In case of proprietary Tenders, the Bid Bond & Performance Bank Guarantee (PBG) are not required / Applicable.
- 20- SSGC will not pay invoices if they are turned in after 6 months of work completion / material delivered.
- 21- It is mandatory for the bidders to follow all the terms and conditions given in the tender documents without any addition / deletion / amendment and submit the bid accordingly. Therefore, in this context, the bidders are requested not to give their own terms and conditions as it tantamount towards the conditional bid. Otherwise their terms and conditions will not be considered and the Purchase Order / Contract will be awarded based on only as per SSGC tender terms and conditions.
- 22- The bidders/contractors are required to provide their only one Bank Account number (IBAN number) on the 'FORM-X' attached duly signed & stamped as one time information, which shall be firm (not changeable) for all the future payment transactions.
- 23- **Payment:**
The supplier after delivery of goods and its acceptance shall submit invoice to Finance Department of the Company, containing following information i.e.
- (a) Purchase order No. & date
 - (b) Items
 - (c) Quantity
 - (d) Price
 - (e) Invoice value
 - (f) Point of delivery
 - (g) Delivery challan indicating delivery date, etc.
 - (h) Supplier(s) are required to submit signed and stamp acknowledgement slip, Sales Tax return,



Annex "C" & Annex "I" (whichever applicable) in which Sales Tax (of relevant Sales Tax invoice) is paid. Payment will be made within 30 days of completion of stated requirements.

24. In case the insurance policy submitted by the contractor is expired during the execution of job, it is the responsibility of the user department to coordinate with the contractor to get it renewed/updated till the period the job is completed/commissioned.

In case the job is not completed within the given time as per tender terms and the insurance policy submitted by the contractor expires, the contractor is liable to get this insurance policy renewed / updated immediately till the period of the job is completed / commissioned as per tender terms failing which the contractor will be responsible for any loss to SSGC.

25. Bidders can quote their rates on both i.e. Schedule of Requirement/Bid Form as well as Bill of Quantity (BoQ)

26. Subsequent to the issuance of LOI, successful bidder has to submit 10% Performance Bank Guarantee of the contract value unless and until specified in the tender document.

27. Company reserve the right to award the Purchase Order /LOI to most advantageous bidder.

28. As per SRO 592(I)/2022 of PPRA Regulations, for Procurement Contracts/Purchase Orders worth of Rs. 50 million and above, bidders/contractors are required to submit the Beneficial Owner's Information for Public Procurement Contracts/Purchase Orders (Annexure-I).

29. Bidder will be blacklisted and henceforth cross debarred for participating in respective category of Public Procurement proceedings for a period of (not more than) six months, if fail to abide with a bid securing declaration (which is an integral part of tender document), however, without indulging in corrupt and fraudulent practices, if in breach of obligation(s) under the Bid conditions:

a) The bidder have withdrawn or modified their bid during the period of bid validity as specified in the tender terms.

b) Having been notified of the acceptance of bid by procuring agency during the period of bid validity (i) failure to sign the contract or accept purchase order (ii) fail or refuse to furnish the performance security or to comply with any other condition as mentioned in the tender document.

30. Wherever the "Rate Only" is mentioned (either on BOQ or anywhere in tender documents) the same shall only be applicable not exceeding 15% of the original procurement for the same items as given in the BOQ for package basis. In case the requirement is on item wise basis (not package basis) then not exceeding 15% of the original Procurement for the same items (on item wise basis) as given in the BOQ.

31. **Lots:** In case when the tender is floated on LOT basis, following clauses to be applied:

a) The bidder(s) are essentially / mandatorily required to submit fixed bid bond as mentioned in the bid form/BOQ/Invitation to Bid. Separate fixed bid bond to be submitted against each individual LOT and its validity to be 150 days at the time of opening of technical proposal.

b) Evaluation for each LOT will be carried out separately. Each LOT will be awarded separately.

32. For open competitive bidding if the most advantageous bidder is new local manufacturer, 10% trial order will be placed and remaining 90% order will be awarded to the next most advantageous bidder at their own quoted rates.

33. Redressal of Grievances And Settlement of Disputes:

- Any bidder feeling aggrieved by any act of the procuring agency after the submission of his bid may lodge a written complaint concerning his grievances within seven days of announcement of the technical evaluation report and five days after issuance of final evaluation report.

- In case, the complaint is filed against the technical evaluation report, the GRC shall suspend the procurement proceedings.

- In case, the complaint is filed after the issuance of final evaluation report, the complainant cannot raise any objection on technical evaluation of the report. Provided that the complainant may raise the objection on any part of the final evaluation report in case where single stage single envelope bidding procedure is adopted.

34. All the bidders are allowed to participate in the subject procurement without regard to nationality/origin, except bidders of some nationality/origin, prohibited in accordance with policy of the Federal Government. Following countries are ineligible to participate in the procurement process:

- India
- Israel



35. In Open Competitive Bidding Procedure where the quoted price is less than Rs. 500,000/- the Bid Bond will be retained in lieu of PBG.
36. In case the Bid Bond is not required, the bidder must submit the Form of Bid-Securing Declaration attached with the Tender Document else the Bid will be liable for rejection.
37. All Tenders floated through EPADS are to be governed by S.R.O. 296(I)/2023 dated: March 8, 2023 "E-Pak-Procurement Regulations 2023". In case of any conflict between SSGC Tender Terms / Instructions to Bidders and the PPRA EPADS Rules, the S.R.O. 296(I)/2023 will prevail.





THE STATE-OWNED ENTERPRISES (GOVERNANCE AND OPERATIONS) ACT, 2023



CONTENTS

CHAPTER-1

GENERAL

1. Short title and commencement
2. Definitions
3. Scope and application

CHAPTER-2

STATE-OWNED ENTERPRISE MANAGEMENT POLICY AND PRINCIPLES

4. State-owned enterprise ownership and management policy
5. General principles

CHAPTER-3

PRUDENT AND EFFICIENT MANAGEMENT

6. Sound and prudent management
7. Objectives of state-owned enterprises

CHAPTER-4

MEASURABLE PERFORMANCE

8. Business plan

CHAPTER-5

RESPONSIBLE MANAGEMENT

9. Application of this Chapter
10. Board Nominations Committee
11. Disqualification of independent directors
12. Composition of the Board of a company
13. Term of office of directors



14. Defect or irregularity in appointment
15. Chairman of the board and the chief executive officer
16. Fit and proper criteria

CHAPTER-6
RESPONSIBILITIES, POWERS AND FUNCTIONS OF THE BOARD

17. Independence of the Board
18. Appointment of the chief executive officer
19. Responsibility to the shareholders and the state-owned enterprise
20. Enforcement of systems of internal control
21. Audit Committee
22. Board meetings
23. Indemnity

CHAPTER-7
TRANSPARENT PERFORMANCE

24. Financial transparency
25. Financial statements
26. Annual report
27. Publication of summary of annual report
28. Half-yearly report

CHAPTER-8
SHAREHOLDING RIGHTS OF THE FEDERAL GOVERNMENT

29. Role of Federal Government
30. Disclosure by state-owned enterprise

CHAPTER-9
MONITORING PERFORMANCE

31. Central monitoring unit
32. Disclosures to the central monitoring unit

CHAPTER-10
ENFORCEMENT

33. Enforcement of this Act
34. Power to make rules
35. Power to issue directives, circulars, guidelines, etc.



CHAPTER-11
MISCELLANEOUS

- 36. Miscellaneous
- 37. Removal of difficulty

SCHEDULE-I
SCHEDULE-II
SCHEDULE-III
SCHEDULE-IV
SCHEDULE-V
SCHEDULE-VI



THE PAKISTAN CODE



**THE STATE-OWNED ENTERPRISES (GOVERNANCE AND OPERATIONS)
ACT, 2023**

ACT NO. VII OF 2023

[30th January, 2023]

*AN
ACT*

to provide for governance and operation of the management and financial efficiency of state-owned enterprises owned and controlled by the Federal Government

WHEREAS, the Federal Government owns and controls a number of state-owned enterprises established under the various laws of Pakistan;

AND WHEREAS, the governance and operation of these enterprises if not made effectively or appropriately affects the quality of service delivery by the State as well as the fiscal discipline of the State;

AND WHEREAS, it is expedient to specify principles governing the operation of state-owned enterprises to authorise the formation of state-owned enterprises for carrying on certain Federal Government activities and to control the ownership thereof and to establish requirements about the governance and accountability of state-owned enterprises and for matters connected therewith and ancillary thereto;

It is hereby enacted as follows:

**CHAPTER-I
GENERAL**

1. Short title and commencement.—(1) This Act shall be called the State-Owned Enterprises (Governance and Operations) Act, 2023.

(2) It shall come into force at once.

2. Definitions.—In this Act, unless there is anything repugnant in the subject or context,—

- (a) "articles" means the articles of association of a company;
- (b) "board" means—
- (i) in the case of a company, the board of directors of the company; and
 - (ii) in the case of a statutory state-owned enterprise, the governing body empowered to oversee or manage the affairs of such statutory body or enterprise.
- (c) "chief executive officer" means—
- (i) in the case of a company, the chief executive officer of the company, by whatever name called; and



- (ii) in the case of a statutory state-owned enterprise, the person empowered to undertake the functions of the chief executive officer, by whatever name called under the relevant law.
- (d) “controlled by the Government” means—
- (i) in the case of a company, if the Federal Government directly or indirectly has the right to appoint a majority of directors or control over management or policy decisions, exercisable by a person individually or through any person acting in concert, directly or indirectly, whether by virtue of Federal Government shareholding, management right, shareholders agreement, voting agreement or otherwise;
- (ii) in the case of an entity created by an Act of the Majlis-e-Shoora, if the Federal Government has the power to appoint a majority of the persons who are directors of that entity or otherwise has the power to determine the outcome of decisions about the entity’s management or financial and operating policies.
- (e) “commercial state-owned enterprise” means—
- (i) a state-owned enterprise established under the Companies Act, 2017 (XIX of 2017) other than companies licensed under section 42 thereof; or
- (ii) a state-owned enterprise that generates the majority of its revenue from the sale of goods or services or a combination of goods and services on a commercial basis.
- (f) “company” means a company incorporated under the Companies Act, 2017 (XIX of 2017) which is a state-owned enterprise;
- (g) “director” means—
- (i) in the case of a company, a director appointed under the Companies Act, 2017 (XIX of 2017); and
- (ii) in the case of a statutory state-owned enterprise, a member of the governing body designated under the applicable law.
- (h) “nominee director” means—
- (i) a director who represents the Federal or Provincial Government; and
- (ii) a director who represents another state-owned enterprise.
- (i) “independent director” means a director who is not an *ex-office* director and is not disqualified under section 11;
- (j) “owned by the Federal Government” means—



- (i) in the case of a company, an entity in which the Federal Government directly or indirectly holds fifty percent or more shareholding; and
- (ii) in the case of a statutory state owned enterprise, an entity which has been established through an Act of the Majlis-e-Shoora.
- (k) "prescribed" means prescribed by rules made under this Act;
- (l) "public service obligation" means the specified service or activity referred to in a public service obligation agreement;
- (m) "public service obligation agreement" means an agreement referred to in Schedule-II between the Federal Government and a commercial state-owned enterprise for the undertaking of a public service obligation by the commercial state-owned enterprise;
- (n) "Schedule" means Schedule made under this Act;
- (o) "state-owned enterprise" means a corporate body falling within the scope of section 2; and
- (p) "statutory state-owned enterprise" means a state-owned enterprise established under an Act of Parliament.

3. Scope and application.—(1) Notwithstanding anything contained in any other law for the time being in force, this Act shall have application to all public sector companies as defined in sub-section (54) of section 2 of the Companies Act, 2017 (XIX of 2017) and other corporate bodies which are owned and controlled by the Federal Government including those established under special enactments but shall not apply to—

- (a) regulatory bodies which are empowered to issue licences, grant tariffs or undertake investigations and inquiries with regard to non-compliance of their statutory functions and powers;
- (b) subject to sub-section (2), enterprises providing health and educational services and facilities; and
- (c) subject to the criteria laid down in the state-owned enterprise ownership and management policy, any state-owned enterprise specifically excluded from the complete or partial application of this Act by the Federal Government for reasons to be recorded and by notification in the official Gazette, provided that such exclusion does not undermine the objectives and principles of this Act.

(2) The application of this Act may be extended by the Federal Government either completely or partly to any entity specified in Schedule-I, including without limitation to entities which the Federal Government does not have ownership in but exercises control thereon:

Provided that the Federal Government shall have the power to amend Schedule-I;



CHAPTER-2
STATE-OWNED ENTERPRISE MANAGEMENT POLICY
AND PRINCIPLES

4. State-owned enterprise ownership and management policy.—(1) The Federal Government shall, at least once in every five years, prepare and prescribe a state-owned enterprise ownership and management policy for giving effect to the objectives of this Act, namely:—

- (a) that the shareholding responsibilities of the Federal Government with respect to its state owned enterprises are clarified;
- (b) that the Federal Government acts as an informed and active shareholder; and
- (c) that fiscal risks associated with state owned enterprises are effectively managed:

Provided that the first policy to be developed under this Act shall be notified no later than one year from the coming into effect of this Act:

Provided further that in the development of policies under this section, the Federal Government may seek input and assistance from the relevant stakeholders, including any regulatory body, as may be required.

(2) The policy referred to in sub-section (1), shall provide for, *inter-alia*—

- (a) the criteria and rationale for ownership, retention and establishment of a state-owned enterprise by the Federal Government;
- (b) the role of the Federal Government in the governance of state-owned enterprises;
- (c) the manner and procedure for exercising the rights of the Federal Government as shareholder in state-owned enterprises, including, without limitation, matters enumerated in sub-section 2 of section 29, subject to the principles laid down in this Act;
- (d) clarification of the respective roles and responsibilities of any Division of the Federal Government, under the Rules of Business, 1973, Boards and other stakeholders involved in the implementation of the Ownership Policy;
- (e) the role of and manner of operation of the central monitoring unit;
- (f) the form and procedure for management and use of the electronic state-owned enterprise database, including right of access by the public;
- (g) a framework for ensuring competitive neutrality of the State with respect to state owned enterprises;



- (h) a public sector obligation management framework;
- (i) process of monitoring and managing contingent liabilities of state-owned enterprises;
- (j) guidelines for board nominations committee while exercising its functions under section 10, including with respect to diversity and adequacy of board composition;
- (k) [* * * * *]
- (l) the cooling off period for the appointment of independent directors;
- (m) the manner of regulation of conflict of interest of directors, including procedures for identification and reporting of direct and indirect interests of directors and resolving any conflict of interest thereon;
- (n) the criteria for excluding a state owned enterprise from the ambit of clause (c) of sub-section (1) of section 3; and
- (o) any other matter required to give effect to the provisions and objectives of this Act.

(3) The policy prescribed under this section shall clarify the manner of giving effect to the institutional arrangements whereby roles and responsibilities have been assigned under this Act, in particular and without limitation—

- (a) the manner in which the Board shall undertake its responsibilities with regard to—
 - (i) development of a business plan and statement of corporate intent under section 8, including without limitation the development of performance indicators and specific targets and the disclosure of public service obligations and target areas;
 - (ii) appointment of chief executive officer under section 18;
 - (iii) ensuring the development of internal systems of control under section 20;
 - (iv) establishment of an audit committee under section 21;
 - (v) timely preparation and publication of the financial statement, annual report and half-yearly report under sections 24 to 28;
 - (vi) timely submission of information to the central monitoring unit under section 32; and
 - (vii) ensuring the integrity of the information submitted to the central monitoring unit.

¹Omitted by Act No. XIII of 2024, s. 2



- (b) the manner in which the central monitoring unit shall undertake its functions with regard to—
 - (i) maintaining an electronic database under section 31;
 - (ii) providing analysis under sub-section (2) of section 31 to the Federal Government or its standing committee as the case may be;
 - (iii) issuing periodic reports to the Federal Government or its standing committee as the case may be, and making such reports public, under sub-section (3) of section 31.
- (c) the manner in which the Federal Government shall undertake its functions with regard to—
 - (i) prescription of the state-owned enterprise ownership and management policy under this section as well as other rules to be prescribed under section 34;
 - (ii) roles and procedure of the standing committee to be established under sub-section (1) of section 33;
 - (iii) the role of the Division to which the business of a state-owned enterprise has been allocated under the Rules of Business, 1973 with respect to—

(A) co-ordinating compliance with this Act by the Board;

(B) providing sectoral policy support and guidance to the state-owned enterprise to enable it to comply with its objectives under section 7; and

(C) providing sectoral policy support to the Federal Cabinet or its standing committee as the case may be with respect to the objectives of this Act.

- (iv) the role of the Federal Government or its standing committee as the case may be, regarding the exercise of shareholding rights, use of analysis and reports submitted by the central monitoring unit and the general oversight of the Boards under this Act.

5. General principles.—The provisions of this Act, the state-owned enterprise management policy, and any rules made hereunder shall aim to further the following general principles, namely:

- (a) the principle of prudent and efficient management according to which—
 - (i) a commercial state-owned enterprise must operate on a commercial basis that is efficient and profitable; and
 - (ii) a state-owned enterprise must operate efficiently and effectively.
- (b) the principle of measurable performance according to which a state-owned enterprise must identify its business goals;



- (c) the principle of responsible management according to which the management of a state-owned enterprise must be competent, honest and accountable;
- (d) the principle of transparent performance according to which a state-owned enterprise must report its performance fully, transparently and timeously;
- (e) the principle of monitored performance according to which a state-owned enterprise must be subject to rigorous monitoring and review;
- (f) the principle of competitive neutrality; and
- (g) the principle of protection of minority shareholders, according to which the government and the state-owned enterprise must recognise the rights of all shareholders and ensure all shareholders are treated equitably and have equal access to corporate information and the ability to nominate directors in a manner commensurate with their shareholding interest.

CHAPTER-3

PRUDENT AND EFFICIENT MANAGEMENT

6. Sound and prudent management.—(1) Every state-owned enterprise shall undertake its operations in accordance with the criteria for sound and prudent management, namely:—

- (a) the business of the state-owned enterprise is carried on with integrity, objectivity, due care and the professional skills appropriate to the nature and scale of its activities;
- (b) each independent director and chief executive officer, by whatever name called, of the state-owned enterprise complies with the prescribed fit and proper criteria;
- (c) the state-owned enterprise is directed and managed by a sufficient number of persons who are fit and proper persons to hold the positions which they hold; and
- (d) the state-owned enterprise maintains adequate accounting and other records of its business.

(2) Accounting and other records shall not be regarded as adequate for the purposes of this provision unless they—

- (a) enable the business of the state-owned enterprise to be prudently managed;
- (b) enable the state-owned enterprise to comply with the obligations imposed by this Act; and
- (c) comply with all professional standards and pronouncements of relevant professional bodies as applicable in Pakistan.

7. Objectives of state-owned enterprises.—(1) The primary objective of a state-owned enterprise shall be to operate in an efficient manner, achieving the objectives contained in, and acting



in accordance with their respective Acts or articles and memorandum of association, as the case may be.

(2) State-owned Enterprises, in undertaking their primary objectives, shall have regard, amongst other matters, to:—

- (a) the economic consequences of any decision in the long term;
- (b) the need to foster the state-owned enterprise's business relationships with suppliers, customers and other stakeholders;
- (c) the impact of the state-owned enterprise's operations on the community and the environment;
- (d) the importance of the state-owned enterprise maintaining a reputation for high standards of business conduct; and
- (e) the need to act fairly as between members of the state-owned enterprise.

(3) Notwithstanding anything contained in any other law for the time being in force, the primary objective of a commercial state-owned enterprise shall be to generate sufficient revenues to cover their costs and be financially sustainable.

(4) The Federal Government shall not require a commercial state-owned enterprise to undertake a public service obligation which deviates from the primary objective except as specified in Schedule-II of this Act;

(5) Nothing in this section shall affect the validity or enforceability of any contract or other transaction entered into by a commercial state-owned enterprise.

CHAPTER-4

MEASURABLE PERFORMANCE

8. Business plan.—(1) The Board of every state-owned enterprise shall, prior to the commencement of each financial year, adopt a business plan in respect of the following three financial years which shall contain information about the operations, strategic direction, and financial and non-financial performance measures of the state-owned enterprise and demonstrates how the state-owned enterprise shall achieve its primary objective:

Provided that the business plan must be effective on the first day of the first financial year to which it applies.

(2) If a state-owned enterprise has one or more subsidiaries, the business plan must, for each subsidiary and for the group as a whole, include information about the operations, strategic direction and financial projections of the state-owned enterprise.

(3) The business plan of a state owned enterprise shall be prepared in consultation with the Division to which the business of the state-owned enterprise has been allocated under the Rules of Business, 1973 and the draft under consultation shall be simultaneously submitted to the Central Monitoring Unit and the adopted business plan shall be submitted to the Federal Government for



(4) The board of every state-owned enterprise shall at the start of each financial year, adopt and cause to have published a statement of corporate intent for the state-owned enterprise or the group comprising the state-owned enterprise and its subsidiaries (if any), in respect of that year and the following two financial years in the manner and form set out in Schedule-III.

CHAPTER-5

RESPONSIBLE MANAGEMENT

9. Application of this Chapter.—This chapter shall apply to all boards of state-owned enterprises, notwithstanding anything contained in any other law for the time being in force.

10. Board Nominations Committee.—(1) There shall be a Board Nominations Committee comprising-

- (a) the Minister in Charge to which the business of the state-owned enterprise has been allocated under the Rules of Business, 1973, who shall also be the Chair of the Committee;

Provided that where the Minister in Charge is the Prime Minister, he may nominate another member of the Federal Government to be Chair of the Committee;

- (b) the Secretary of the Division to which the business of the state-owned enterprise has been allocated under the Rules of Business, 1973; and
- (c) the Secretary of the Finance Division or his nominee of at least BPS 21.

(2) The Board Nominations Committee shall be responsible for—

- (a) identifying and recommending candidates to the Federal Government for appointment as independent directors which the Federal Government is empowered to appoint to Boards; ¹[*]
- (b) recommending *ex-officio* positions to be held by the relevant Division or public sector organization of the Federal Government, or where necessary, a Provincial Government ¹[;]
- ¹[(c) evaluating the performance of *ex-officio* and independent directors; and
- (d) recommending the removal of a director or directors to the Federal Government on the basis of evaluating the performance of such director or directors.]

(3) The procedure adopted by the Board Nominations Committee for performing its functions ¹[under clauses (a) and (b) of sub-section (2)] shall be notified and shall comply with the principles of merit, confidentiality, transparency, diversity and fairness, including, but not limited to—

- (a) advertisement in a newspaper(s) of wide circulation;
- (b) requesting applications by invitation;
- (c) appointing a head-hunting agency; or



- (d) identifying candidates from the databank of independent directors notified by the Securities and Exchange Commission of Pakistan under section 166 of the Companies Act, 2017 (XIX of 2017).

[(3A). In carrying out its functions under clauses (c) and (d) of sub-section (2) of section 10, the Board Nomination Committee shall evaluate the performance of a director or directors of a state-owned enterprise based on the objectives and principles laid down in Chapters 2, 3 and 4 of this Act, to the extent applicable to a Board of a state-owned enterprise.]

(4) The Board Nominations Committee shall apply the prescribed fit and proper criteria while making nominations of persons for appointment as directors.

11. Disqualification of independent directors.—The following persons shall not be appointed or continue to hold office as an independent director, namely:

- (a) a person who is under eighteen years of age;
- (b) a person who is not a natural person;
- (c) a person who is an undischarged bankrupt in any jurisdiction;
- (d) a person who has been convicted of an offence in any jurisdiction;
- (e) a person who is prohibited under a statute or by order of court from being a director or promoter of, or being concerned or taking part in the management of a corporation;
- (f) a person who is declared mentally unfit by a medical board constituted for this purpose;
- (g) a person who is in the service of Pakistan;
- (h) a member of the Majlis-e-Shoora or a Provincial Assembly;
- (i) a holder of a political office whether or not in a legislative role; or
- (j) an employee of a state-owned enterprise.

12. Composition of the Board of a company.—(1) A Board of a company shall consist of independent directors, *ex-officio* directors and the chief executive officer of the company, with the requisite skills, competence, knowledge, experience and approach so that the Board as a group includes core competencies and diversity required to assist the company achieve its primary objective.

(2) The majority of the board shall consist of independent directors.

(3) No person shall be appointed or nominated as a director of more than five state-owned enterprises simultaneously, including their subsidiaries.



(4) An independent member shall not serve for more than nine years on a Board, and shall not be appointed to the same Board after two consecutive terms unless a period of three years has lapsed.

13. Term of office of directors.—(1) A director, once appointed shall hold office for the period specified under the applicable law, unless he resigns in writing or is removed earlier in accordance with the provisions of this Act.

¹[Provided that for reasons to be recorded, the Federal Government may remove a director or directors on the recommendation of the Board Nominations Committee under clause (d) of sub-section (2) of section 10.]

(2) ¹[Save for as provided in the *proviso* sub-section (1) of section 13, an] independent director once appointed by the Federal Government shall not be removed unless it is established through an inquiry conducted in the prescribed manner that—

- (a) the director is found to be in non-compliance with the provisions of this Act, or the Companies Act 2017, (XIX of 2017), or any other applicable law;
- (b) ¹[* * * * *]
- (c) the director is found to act in a manner detrimental to the successful management and operation of the state-owned enterprise; or
- (d) the director is found guilty of misconduct.

Explanation.—For the purpose of this clause, misconduct includes—

- (i) indulging in a competing professional or personal conflict of interests' situation;
- (ii) using the funds, assets and resources of the state-owned enterprise without due diligence and care;
- (iii) failing to treat the colleagues and the staff of the state-owned enterprise with respect, or using harassment in any form of physical or verbal abuse;
- (iv) making public statements relating to the business of the state-owned enterprise without authorization by the Board;
- (v) failing to comply with the state-owned enterprise's code of conduct or conflict of interest requirements;
- (v) receiving gifts or other benefits from any sources external to the state-owned enterprise offered to him in connection with his duties on the Board; or
- (vi) abusing or misusing his official position to gain undue advantage or assuming financial or other obligations in private institutions or for persons which may cause embarrassment in the performance of official duties or functions.

14. Defect or irregularity in appointment.—No act, proceeding or decision of the board shall be invalid by reason only of the existence of a vacancy in, or defect or irregularity in the constitution of the board.

¹Ins., subs. and omitted by Act No. XII of 2024, s. 4.



15. Chairman of the board and the chief executive officer.—(1) No person can hold office as chairman and chief executive of a state-owned enterprise simultaneously, and the office of the chairman shall be separate and his responsibilities distinct, from those of the chief executive officer.

(2) The chairman of the board shall be appointed by the Federal Government and shall be responsible for leading the board and ensuring its effective functioning and continuous development and shall not be involved in day to day operations of the state-owned enterprise.

(3) The chief executive officer shall—

- (a) be responsible for the management of the state-owned enterprise and for its procedures in financial and other matters under delegation from the board and subject to the oversight and directions of the Board;
- (b) ensure the proper implementation of strategies and policies approved by the Board; and
- (c) putting in place appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with the state-owned enterprise business plan, the primary objective and all statutory obligations.

16. Fit and proper criteria.—(1) The fit and proper criteria shall be prescribed in Schedule-IV and shall apply to independent directors, the chief executive officer, the company secretary and all other senior management officers, by whatever name called, of a state-owned enterprise.

(2) The requirement to comply with the fit and proper criteria under this Act shall be without prejudice to compliance with any other requirement for the fitness and propriety of directors or senior management officers issued under any special law, rules or regulations by a sector regulator or authority governing a specified sector.

CHAPTER-6

RESPONSIBILITIES, POWERS AND FUNCTIONS OF THE BOARD

17. Independence of the Board.—(1) The Board shall be given autonomy and independence in the discharge of its functions under this Act or any other applicable law in accordance with the adopted business plan and no administrative or standing instructions by any Division of the Federal Government shall be applicable to any state-owned enterprises unless prior approval of the Federal Government has been obtained and any such instructions already in field at the time of coming into effect of this Act shall require Federal Government ratification within a period of six months, failing which they shall be deemed to be rescinded.

(2) State-owned enterprises shall maintain independent procurement policies with the approval of the Federal Government, which comply with the Chartered Institute of Procurement and Supply's Global Standards of Procurement and Supply and shall only be responsible for compliance of the provisions of the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002) to such extent as may be directed by the Federal Government:

Provided that until the procurement policy of state-owned enterprise is prepared and approved by the Federal Government, the Public Procurement Regulatory Authority Ordinance 2002, (XXII of 2002) shall apply *mutatis mutandis* to it.



18. Appointment of the chief executive officer.—(1) The Board, in the case of a company, or the concerned authority in the case of a statutory state-owned enterprise shall appoint a chief executive officer to the state-owned enterprise under a performance based contract for a specified period, unless such period is already specified in the enactment governing a statutory state-owned enterprise:

Provided that the Board or the concerned authority shall bring their existing arrangements with the the appointment of chief executive officers in line with this provision within one year of coming into effect of this law.

(2) The Board or the governing body in the case of statutory state-owned enterprises, by whatever name called, shall be responsible for ensuring the performance of the chief executive is monitored regularly against agreed performance measures and for the chief executive's development and succession planning.

19. Responsibility to the shareholders and the state-owned enterprise.—(1) The Board shall ensure its obligations to shareholders of the state-owned enterprise are fulfilled and they are duly informed in a timely manner of all material events through shareholder meetings and other communications as necessary.

(2) The Board shall develop and implement a code of conduct for the members of the Board, as well as the employees of the state-owned enterprise for the matters set out in Schedule-V of this Act, with a view to ensure the highest professional standards and corporate values are in place:

Provided that the code of conduct developed under this sub-section shall be effectively communicated within the state-owned enterprise together with supporting policies and procedures,

including adequate systems and controls for the identification and redressal of grievances arising from unethical practices.

20. Enforcement of systems of internal control.—The Board shall ensure the integrity of the systems of internal control and any person who is found liable for a deviation or violation from the company's code of conduct or other systems of internal control shall be subject to disciplinary proceedings in accordance with the state-owned enterprise's internal policies.

21. Audit Committee.—(1) The Board of a state-owned enterprise shall establish an audit committee, whose members shall be financially literate and majority of them, including its chairman, shall be independent directors:

Provided that the Chairman of the Board and the Chief Executive Officer of the state-owned enterprise shall not be members of the audit committee.

(2) The audit committee shall be responsible for—

- (a) recommending to the Board the appointment of external auditors by the state-owned enterprise and shall consider any questions of resignation or removal of external auditors, audit fees and provision by external auditors of any service to the state-owned enterprise in addition to audit of its financial statements;



- (b) determination of appropriate measures to safeguard the state owned enterprise's assets;
- (c) all reports and communications with external auditors;
- (d) review of half-yearly and annual financial statements of the state owned enterprise, prior to their approval by the Board;
- (e) ensuring coordination between the internal and external auditors of the state owned enterprise; and
- (f) investigating, where necessary on a confidential basis, any deviation from or violation of the company's code of conduct or other systems of internal control.

22. Board meetings.—(1)The Board of a company shall meet—

- (a) at least once in every two months; and
- (b) at other times that the board considers necessary for the efficient management of the business and affairs of the state-owned enterprise.

(2) Notwithstanding anything contained in any other law for the time being in force, decisions of the Board shall be taken by majority, however the following decisions shall require a decision by three-fourth majority, which shall include the vote of the nominee director representing the Federal or Provincial Government, namely—

- (a) appointment and removal of chief executive officer of the state-owned enterprise;
- (b) approval of the statement of corporate intent and business plan;
- (c) proposals for sale of sizeable assets;
- (d) annual budget statement approval; and
- (e) sale of assets of the company.

(3) The Chairman of the Board shall in case of equal number of votes, have a casting vote.

23. Indemnity.—No suit, prosecution or other legal proceedings shall lie against the directors, chief executive officer, or other employee of a state-owned enterprise if the liability arose out of an act or omission of the director, chief executive or employee and the act or omission was done in good faith and with due care.

CHAPTER-7

TRANSPARENT PERFORMANCE

24. Financial transparency.—(1) The Board shall ensure that the state-owned enterprise along with its subsidiaries, must keep written financial records that—



- (a) correctly record and explain its transactions and financial position and performance;
- (b) enable financial statements to be prepared and audited in accordance with this Act;
- (c) clearly identify any transactions undertaken by the state-owned enterprise with any director or his close relatives, either directly or indirectly and comprising a pecuniary or non-pecuniary benefit through a company or other business established by such director; and
- (d) enable other reports required by this Act to be prepared.

(2) The records required by sub-section (1)—

- (a) shall be kept for at least ten years after the dates of the transactions to which they relate;
- (b) must be kept at the principal place of business or the registered office address of the state-owned enterprise; and
- (c) shall also be kept in electronic form if they are readily retrievable and convertible into hard copy form.

25. Financial statements.—(1) The board of a state-owned enterprise must ensure there is prepared, for each financial year, audited financial statements for the state-owned enterprise as well as consolidated financial statements for the group consisting of the state-owned enterprise and its subsidiaries:

Provided that for the purposes of this section, a subsidiary shall not include a joint venture.

(2) The financial statements must be prepared in accordance with International Financial Reporting Standards and the financial statements together with the notes to them must include all information that is necessary to ensure that the financial statements give a true and fair view of the

financial position of the state-owned enterprise and the group consisting of the state-owned enterprise and its subsidiaries:

Provided that where a state-owned enterprise is not following the International Financial Reporting Standards at the time of coming into effect of this Act, the Board shall ensure compliance with this provision within a period of three years from coming into effect of this Act.

(3) The financial statements must be accompanied by a declaration of the Board whether, in their opinion—

- (a) there are reasonable grounds for believing that the state-owned enterprise and its subsidiaries shall be able to pay their debts as they become due and payable; and

- (b) the financial statements and the notes to them comply with the requirements of this Act and international accounting standards.

26. Annual report.—(1) A state-owned enterprise must submit to the Federal Government a report on its operations and its subsidiaries for the financial year to which it relates, not later than four months after the end of that financial year in the form prescribed in Schedule-VI.

(2) The annual report may omit information that the board of the state-owned enterprise reasonably considers is likely to materially prejudice the commercial interests of the state-owned enterprise or a subsidiary if disclosed.

(3) The Board shall submit a report to the Federal Government on the information omitted from the annual report under sub-section (2) and the reasons for such omission and such report shall be confidential.

27. Publication of summary of annual report.—(1) A state-owned enterprise must arrange for publication of a summary of the annual report on an internet site maintained by the state-owned enterprise or, where the state-owned enterprise does not have a website, on the website of the Division to which the business of the state-owned enterprise is allocated under the Rules of Business, 1973, or in one or more newspapers generally circulating in Pakistan.

(2) The summary of the annual report must be published under sub-section (1) within one month after the report is submitted to the Federal Government and should compare the actual performance of the state-owned enterprise during the financial year to which the report relates with the targets or benchmarks set in its statement of corporate intent for that financial year.

28. Half-yearly report.—(1) A state-owned enterprise must submit to the Federal Government a half-yearly report of the operations of the state-owned enterprise for the first half of the financial year to which it relates not later than two months after the end of the first half of that financial year.

(2) The half-yearly report must contain:

- (a) the half yearly financial reports of the state-owned enterprise;
- (b) a statement on the extent the state-owned enterprise and its subsidiaries have achieved the business goals specified in its statement of corporate intent for the financial year; and
- (c) include any other matter that the Federal Government may direct the state-owned enterprise to include.

CHAPTER-8

SHAREHOLDING RIGHTS OF THE FEDERAL GOVERNMENT

29. Role of Federal Government.—(1) Subject to this Act, the Federal Government shall exercise all the powers and rights that shareholders have in relation to the state-owned enterprise under the law or the constitution of the state-owned enterprise.

(2) The manner of exercise of shareholders rights with respect to the state-owned enterprise shall be prescribed in the state-owned enterprise ownership and management policy and shall include, without limitation—



- (a) the designation of the officers authorized to act as shareholder on behalf of the Federal Government at statutory meetings; and
- (b) any other matter necessary for the efficient exercise of shareholder rights by the Federal Government.

(3) The provisions of this section shall have overriding effect over any procedure to the contrary in any other applicable law.

30. Disclosure by state-owned enterprise.—(1) The directors and senior management officers of a state-owned enterprise shall annually submit their assets and beneficially held investments and properties to the Board, and any changes thereon shall be reported to the Board within two weeks of such change, subject to such reasonable restrictions on making this information public as may be imposed by the Board in its conflict management policy.

(2) The Federal Government may direct a state-owned enterprise to disclose specified information or documents relating to the affairs of the state-owned enterprise or its subsidiary.

(3) The Federal Government must not direct the disclosure of information relating to an individual if the individual is identifiable from the information.

(4) Subject to the terms of a direction under this section, a state-owned enterprise may propose reasonable conditions to the Federal Government on making the information public disclosed under this section, including restrictions of its further disclosure.

CHAPTER-9 MONITORING PERFORMANCE

31. Central monitoring unit.—(1) The Federal Government shall establish a central monitoring unit in the Finance Division which shall also maintain an electronic database of the financial and operational performance of state-owned enterprises and the following information in relation to state-owned enterprises, namely.—

- (a) statements of corporate intent;
- (b) business plans;
- (c) half-yearly and annual reports; and
- (d) any other information prescribed in the state-owned enterprise management policy.

(2) The central monitoring unit shall undertake analysis on the financial, commercial and operational performance of state-owned enterprises, and on the basis of such analysis, submit recommendations to the Federal Government on matters related to the performance and governance of state-owned enterprises, including—

- (a) the overall performance of state-owned enterprises;



- (b) performance of state-owned enterprises against their primary objectives, business goals, and performance targets and benchmarks;
- (c) investment in, loans to, and guarantees of state-owned enterprises;
- (d) the risks associated with the state-owned enterprise sector that could affect the State's investment in state-owned enterprises;
- (e) proposals relating to major transactions by state-owned enterprises as and when required by the Federal Government;
- (f) best practice by state-owned enterprises for encouraging and enhancing efficiencies and service delivery, and for improving performance;
- (g) agreements for public service obligations as and when required by the Federal Government;
- (h) compliance under section 32 by state-owned enterprises;
- (i) state-owned enterprise reform options as and when required by the Federal Government;
- (j) analysis of the content of the statements of corporate intent, business plans, annual reports and semi-annual reports; and
- (k) any other matter which the Federal Government may require.

(3) The central monitoring unit shall issue periodic reports on the performance of the state-owned enterprises and matters listed in sub-section (2), which shall not be less than once every half year, in such form and manner as may be prescribed, and such reports shall be submitted to the Federal Government.

(4) The central monitoring unit shall publish a consolidated report on the performance of state-owned enterprises annually, with the approval of the Federal Government.

32. Disclosures to the central monitoring unit.—(1) Every state-owned enterprise shall be required to submit information to the central monitoring unit as required under this Act:

Provided that if there is any change or error in the particulars already submitted to the state-owned enterprise monitoring unit, it shall be updated or corrected as the case may be, within fifteen days of such change or knowledge of error.

(2) The central monitoring unit may, by notice in writing to a state-owned enterprise, require a disclosure by the state-owned enterprise to enable the central monitoring unit to discharge its functions under this Act.

(3) A state-owned enterprise must comply with a notice under sub-section (2) within ten working days after receiving it.



CHAPTER-10
ENFORCEMENT

33. Enforcement of this Act.—(1) The Federal Government shall establish a committee of the Federal Cabinet to monitor the implementation of this Act.

(2) The Division to which the business of a state-owned enterprise has been allocated under the Rules of Business, 1973 shall co-ordinate with the Board of such state-owned enterprise to monitor compliance with the provisions of this Act, including, without limitation, with respect to the development of the business plan, statements of corporate intent, the annual reports, timely establishment of systems of internal controls of the state-owned enterprise, appointment of the Chief Executive Officer, and reporting to the central monitoring unit.

(3) The Federal Government may carry out its functions and powers under this Act, except the power to make rules or to appoint independent directors, either directly through or by delegation to one or more of its Divisions or a body corporate which may be established by the Federal Government for this purpose by notification in the official gazette:

Provided that in case the Federal Government establishes a body corporate then the functions of the central monitoring unit shall also be undertaken by such body.

34. Power to make rules.—(1) The Federal Government may, by notification in the official Gazette make rules to carry out the purposes under this Act.

(2) Without prejudice to the generality of the foregoing powers, such rules may provide for—

- (a) procedure for submission of various reports to the Federal Government and the manner of preparation of such reports;
- (b) legal validity, form, procedure and security of the electronic database maintained by the central monitoring unit; and
- (c) any other matter incidental or consequential.

(3) The power to make rules under this Act shall be subject to the condition of prior publication in a manner appropriate for inviting representations thereon by the public, and the Federal Government shall cause a report to be published on its website, setting out in general terms-

- (a) the representations made on the draft rules;
- (b) the response of the Federal Government to the representations; and
- (c) where the rules are made with modifications which in the opinion of the Federal Government result in the rules or regulations being significantly different from the draft, publish, in such manner as it considers appropriate, details of the difference.

35. Power to issue directives, circulars, guidelines, etc.—The Federal Government shall have the power to issue such directives, codes, guidelines, circulars or notifications as are necessary to carry out the purposes under this Act and the rules made hereunder.



CHAPTER-11
MISCELLANEOUS

36. Miscellaneous.—(1) Notwithstanding anything contained in any law for the time being in force, nothing in this Act, shall affect or be deemed to affect anything done or any action taken, or purported to have been taken by a state-owned enterprise, including under any rule, regulation, notification, order or notice made or issued, any approval, appointment or declaration made, any operation undertaken or direction given before the commencement of this Act.

(2) Subject to sub-section (1), any order, rule, notification, regulation, appointment, conveyance, deed, document or direction made, proceedings taken, instrument executed or issued or thing done by or in relation to a state-owned entity shall, if in force before the commencement of this Act, continue to be in force and shall have effect as if made, directed, passed, given, taken, executed, issued or done under or in pursuance of this Act, unless otherwise specifically withdrawn by an order of the concerned authority.

(3) Any person appointed to any office prior to the coming into force of this Act shall be deemed to have been appointed to that office under and by virtue of this Act and any condition or term of service or employment modified through this Act shall not have retrospective application or effect.

(4) Within one year of the coming into effect of this Act, the Federal Government shall, in the case of any inconsistency, initiate legislation to bring the laws of statutory state-owned enterprises in conformity with the provisions of this Act.

37. Removal of difficulty.—If any difficulty arises in giving effect to the provisions of this Act, Federal Government may make such order, not inconsistent with the provisions of this Act, as it may consider necessary for removal of such difficulty.

Schedule-I
Entities to Whom this Law is Extended
[see Section 3(2)]

Entity	Applicable Provisions
Pakistan Railways	
Pakistan Post Office	
Companies established under section 42 of the Companies Act, 2017	
Pakistan Agricultural Storage and Services Corporation	
Pakistan State Oil	

Schedule-II
Framework for Enforcing Public Service Obligations
[see Section 7(4)]

1. The Federal Government may in writing require a commercial state-owned enterprise



(a) provide a specified service or perform specified activities; or

- (b) cease providing a specified service or performing specified activities.
2. Within one month of receiving the written proposal from the Federal Government, the State-owned enterprise must respond to the notice in writing, stating, with reasons, whether the State-owned enterprise:
- (a) agrees to give effect to the proposal; or
- (b) finds the request to be inconsistent with the primary objective of the State-owned enterprise.
3. If the commercial state-owned enterprise gives a notice under clause (2)(b), the Federal Government and the commercial state-owned enterprise must enter into good faith negotiations with a view to agreeing arrangements under which the commercial state-owned enterprise can give effect to the Federal Government proposal without acting inconsistently with its primary objective.
4. If an agreement is reached under clause (3), the arrangements for giving effect to Federal Government proposal shall be incorporated in a Public Service Obligation Agreement which:
- (a) must be in writing;
- (b) must be approved by the Federal Government and the Board of the commercial state-owned enterprise;
- (c) may include provision for funding or other resources to the commercial state-owned enterprise;
- (d) if it provides for the commercial state-owned enterprise to provide goods or services, must-
- (i) specify the goods or services, including any particular quantities;
- (ii) specify an estimate of the annual total cost to the commercial state-owned enterprise for providing the goods or service, and an estimate of the annual total revenue to be received by the commercial state-owned enterprise for doing so; and
- (iii) specify how the performance of the commercial state-owned enterprise in providing the goods or services will be monitored and assessed.
- (e) may include any other matter, not inconsistent with this Act, that is agreed between the Minister in Charge and the commercial state-owned enterprise.
5. For the avoidance of doubt, if the Federal Government directs a commercial state-owned enterprise to provide specified services or perform specified activities through cross-subsidizing the cost between different groups of users and the revenue collected by the commercial state-owned enterprise from the cross-subsidization does not cover the costs, the Federal Government and commercial state-owned enterprise will agree the short-fall to be funded by the Federal Government and enter into a public service obligation agreement as provided in clause (4). However, a cross subsidy between different groups of users which is in accordance with a tariff determined by a regulator or the commercial state-owned enterprise's own pricing mechanism, is not a public



service obligations and will not require a public service obligation agreement as provided in clause (4).

6. The obligations under a public service obligation agreement shall be binding.

Schedule-III
Statement of Corporate Intent
(see Section 8(4))

1. Name of State-Owned Enterprise: [full name as per certificate of incorporation or relevant statute]
2. Incorporated/established on: [date of incorporation/establishment]
3. Subsidiaries included in this statement of corporate intent: _____

4. Description of the main business of the state-owned enterprise: [as per the constitutive documents/relevant statute]
5. Summary of the business goals of the state-owned enterprise: [as per the approved business-plan]
6. Summary of the performance measures and benchmarks against the state-owned enterprises business goals and its primary objective: [targets of the state-owned enterprise]
7. Summary of the strategies of the state-owned enterprise for achieving its business goals and primary objective: [commercially sensitive strategies are not required to be included here, summary of key risks identified in the achievement of the business goals to also be included here]
8. The current or anticipated borrowing of the state-owned enterprise, including borrowing by a subsidiary: [current borrowing has to be specific-anticipated borrowing to be included on the basis of projected revenue requirements of the state-owned enterprise and will not be binding on the state-owned enterprise]
9. The accounting policies that the state-owned enterprise will apply for financial records and reporting: _____
10. Summary indicative balance sheet and profit and loss statement for the state-owned enterprise: _____
11. Consolidated summary indicative balance sheet and profit and loss statement for the state-owned enterprise and its subsidiaries as a group: [need not be filled if the state-owned enterprise does not have any subsidiary]
12. The proposed dividend declaration and distribution policy of the state-owned enterprise: _____



13. Description of any public service obligations and their impact on the forecasted financial outcomes of the state-owned enterprise: [as agreed with the Federal Government]
14. Any other matter directed to be included in this statement by the Federal Government: _____

Schedule-IV
Fit and Proper Criteria
(see Section 16)

For the purpose of determining as to whether a person proposed to be appointed as director is a 'fit and proper person', the appointing authorities shall take into account any consideration as it deems fit, including but not limited to the following criteria, namely that the candidate for appointment:—

- (a) has the skills, knowledge and experience to assist the state-owned enterprise achieve its primary and other objectives;
- (b) has at least a graduate degree
- (c) is a businessman of repute or a recognised professional with relevant sectoral experience;
- (d) is financially literate;
- (e) has no convictions or civil liabilities;
- (f) has good reputation and character and exhibits high ethical standards;
- (g) is not disqualified to act as a director stipulated in this Act or any other law applicable to the functioning of a state-owned enterprise;
- (i) has not been subject to an adverse order passed by the Securities and Exchange Commission of Pakistan or any other sector regulator;
- (j) has not been subject to an order passed by the Securities and Exchange Commission of Pakistan or any other regulatory authority, withdrawing or refusing to grant any license or approval to him which has a bearing on the capital market; and
- (k) does not suffer from a conflict of interest; this includes political office holders whether or not in a legislative role.

Schedule-V
Matters to be Covered under the Code of Conduct
[see Section 19 (2)]

1. The standards of conduct for directors and employees, whereby:
 - (i) compliance with the fundamental principles of probity and propriety; objectivity, integrity and honesty are ensured;



- (ii) the directors and executives uphold the reputation of the state owned enterprise by treating the general public, institutional investors and other stakeholders with courtesy, integrity and efficiency, and ensuring service quality;
 - (iii) the state owned enterprise's assets and resources are applied for the benefit of the state-owned enterprise in a manner which ensures efficiency and transparency; and
 - (iv) quality standards are followed with due diligence and that suppliers comply with the standards specified and are paid for supplies or services within the time agreed.
2. An effective "anti-corruption" strategy to minimize actual or perceived corruption in the state owned enterprise, including without limitation, with respect to:
- (i) the active promotion of ethical behaviour and facilitating reporting of unlawful or unethical behaviour;
 - (ii) the circumstances in which directors and employees may accept gifts and other benefits, including reporting and recording those gifts and benefits;
 - (iii) the use by directors and employees of the resources of the state-owned enterprise, including phones, vehicles, and other property;
 - (iv) regulation of business travel, including its cross-over with personal travel;
 - (v) reducing or eliminating improper influence on directors and employees in their position as a director or employee of the state-owned enterprise;
 - (vi) equality of opportunity is ensured by establishing open and fair procedures for making appointments and for determining terms and conditions of service.
 - (vii) compliance with the law and the state-owned enterprise's internal rules and procedures relating to public procurement, tender regulations, purchasing and technical standards, when dealing with suppliers of goods and services; and
 - (viii) trading in and holding shares, securities, or other financial instruments by directors and employees.
3. Regulation of conflicts of interest, including procedures for identification, reporting, and resolving a conflict of interest;

Explanation:—For the purposes of this clause a person shall be deemed to have an interest in a matter if he has any stake, pecuniary or otherwise, in such matter which could reasonably be regarded as giving rise to a conflict between his duty to objectively perform his functions and his ability to consider and decide any matter impartially or to give any advice without bias, may reasonably be regarded as impaired;

The use and disclosure of information by directors and employees;



5. Managing breaches of the code, including monitoring compliance and reporting breaches; and
6. Any other matter relevant to ensuring a high standard of governance within the state-owned enterprise.

Schedule-VI
Details to be Submitted in the Annual Report
(see Section 25)

1. Name of State-Owned Enterprise: [full name as per certificate of incorporation or relevant statute]
2. Incorporated/established on: [date of incorporation/establishment]
3. Subsidiaries included in this statement of corporate intent: _____
4. The audited financial statements required by this Act for the financial year to which it relates:
5. The report of the auditor for those financial statements, including compliance with this Act:
6. A review of operations during the financial year of the state-owned enterprise and its subsidiaries and the result of those operations:
7. A report of the extent to which the state-owned enterprise and its subsidiaries have achieved the outcomes specified in the statement of corporate intent for the financial year:
8. A statement of the dividend or distribution paid or to be paid by the state-owned enterprise to the State for the financial year:
9. Details of any public service obligation agreement applicable during the financial year, including:
 - i. the cost of the public service or services performed under the agreement; and
 - ii. the revenue received by or payable to the state-owned enterprise under the agreement.
10. Details of any significant changes in the affairs of the state-owned enterprise during the financial year:
11. Details of any matter or circumstance arising since the end of the financial year that has significantly affected, or may significantly affect, the operations of the state-owned enterprise in future financial years:



12. Details of any breach of the code of conduct of the state-owned enterprise during the financial year:
13. Details of any information which is omitted from the annual report along with reasons for such omission.
14. Any other matter that the Federal Government directs the state-owned enterprise to include in the report.



THE PAKISTAN CODE



RGN Date: 09-09-2024

STATE-OWNED ENTERPRISES (SOEs)

Ownership and Management
Policy, 2023



Finance Division
Government of Pakistan



CONTENTS

Chapter 1: Background and Objectives.....	1
Chapter 2: Scope of the Policy	2
Chapter 3: Ownership and Establishment of SOEs	2
SOE Reforms and Restructuring.....	3
Chapter 4: Institutional Arrangements.....	4
Federal Government.....	4
Cabinet Committee on SOEs.....	4
The Line Ministries/Divisions.....	4
Central Monitoring Unit (CMU), Finance Division.....	5
Chapter 5: Appointments and training of directors for the boards of SOEs.....	6
Competitive Neutrality.....	8
Issuance and Reporting of Guarantees for SOEs.....	9
Human Resource of SOEs.....	9
Accounting and other Financial Standards.....	9
Public Service Obligation (PSO).....	9
Board Committees.....	9
Code of conduct.....	10
Fit and Proper Criteria.....	10
Public Disclosure.....	10
Annexure-1.....	11
Annexure-2.....	14
Annexure-3.....	16
Annexure-4.....	19
Annexure-5.....	22
Annexure 6.....	25
Annexure 7.....	27
Annexure 8.....	28



Chapter 1: Background and Objectives

1. In pursuance of Section 4(1) of the State-Owned Enterprises (Governance and Operations) Act, 2023 (the Act), the State-Owned Enterprise Ownership and Management Policy (The Policy) is prepared and is notified with the approval of the Federal Government. Section 4(1) of the Act reads as follows:

The Federal Government shall, at least once in every five years, prepare and prescribe a state-owned enterprise ownership and management policy for giving effect to the objectives of this Act, namely: -

- a) that the shareholding responsibilities of the Federal Government with respect to its state-owned enterprises are clarified;
- b) that the Federal Government acts as an informed and active shareholder; and
- c) that fiscal risks associated with state owned enterprises are effectively managed.

2. Moreover, this Policy covers the following aspects of ownership and management of the state-owned enterprises in line with the requirements of section 4(2) of the Act: -

- a) the criteria and rationale for ownership, retention, and establishment of SOEs by the Federal Government;
- b) the role of the Federal Government in the governance of SOEs;
- c) the manner and procedure for exercising the rights of the Federal Government as a shareholder in SOEs, including, without limitation, matters enumerated in sub-section 2 of section 29, subject to the principles laid down in the Act;
- d) clarification of the respective roles and responsibilities of any Division of the Federal Government, under the Rules of Business, 1973, Boards, and other stakeholders involved in the implementation of this Policy;
- e) the role of and manner of operation of the Central Monitoring Unit (CMU);
- f) the form and procedure for management and use of the electronic SOE database, including right of access by the public;
- g) guidelines for Board nominations committee while exercising its functions under section 10 of the Act, including with respect to diversity and adequacy of Board composition;
- h) the process for evaluating the performance of ex-officio and independent directors;
- i) the cooling off period for the appointment of independent directors;
- j) the manner of regulation of conflict of interest of directors, including procedures for identification and reporting of direct and indirect interests of directors and resolving any conflict of interest thereon;
- k) a framework for ensuring competitive neutrality of the State with respect to state owned enterprises;
- l) a public sector obligation management framework;



- m) process of monitoring and managing contingent liabilities of SOEs;
 - n) the criteria for excluding a SOE from the ambit of clause (c) of sub-section (1) of section 3 of the Act; and
 - o) any other matter required to give effect to the provisions and objectives of the Act.
3. All words and terms used in the Policy shall have the same meaning ascribed to them under the Act.

Chapter 2: Scope of the Policy

4. The Policy shall have application to all SOEs that are included within the scope of the Act.
5. The proposal of any state-owned enterprise for complete or partial exemption from the application the Act under section 3(1)(c) of the Act shall be placed for consideration of the Federal Government in the following manner:
- a) Detailed justification for seeking complete or partial exemption
 - b) Prior consultation with Finance Division/Central Monitoring Unit
6. The complete or partial exemption under Section 3(1)(c) of the Act shall ordinarily not be granted except on the grounds of national security, defence or the SOEs being included in the approved list of SOEs in the privatization program. In any case, the reasons for granting exemption(s) shall be duly notified.
7. The Policy will be applicable to the listed SOEs as well as to the non- listed SOEs. However, listed SOEs will continue to comply with the Listed Companies (Code of Corporate Governance) Regulations, 2019 as amended from time to time, notified by the Securities and Exchange Commission of Pakistan (SECP). In case of any contradiction between the Policy and the Listed Companies (code of Corporate Governance) Regulations 2019, the more stringent provisions shall apply.
8. The SOEs that come under the scope of the Act will not comply with Public Sector Companies (Corporate Governance) Rules 2013 except otherwise provided in the Policy.

Provided that in case there is no specific provision in relation to any matter in the Act, the provisions of the Companies Act, 2017, shall apply mutatis mutandis. Moreover, in case of SOEs falling under sub-section (2) of Section 505 of the Companies Act, 2017, the provisions of the Companies Act, 2017, referred therein shall be applicable to the extent as provided therein to such SOEs except as otherwise provided in the Act.

Chapter 3: Ownership and Establishment of SOEs

9. The Federal Government shall own or retain those SOEs that are strategic or essential as defined below:
- a) **Strategic SOEs:** Strategic SOEs refers to the SOEs which are completely/partially engaged in strategic functions. The strategic functions refer to the outcomes which have significant strategic, security, or social importance in addition to economic values for the country.
 - b) **Essential SOEs:** Essential SOEs refer to the SOEs which are critical for the execution of Government policies and where the private sector is unable to assume those functions due to various reasons including:



- i. Large/intensive capitalization
 - ii. Market stabilization / food security
 - iii. Sectoral / Market development
 - iv. A natural monopoly/oligopoly service provider and there is no effective regulatory oversight of their operations. However, in such cases, the Federal Government may explore transformation options such as outsourcing and management transfer options with sufficient safeguards embedded.
 - v. SOEs established or required to be established under any Law/Statute
 - vi. Entities established through G2G or inter-governmental arrangements.
10. The following factors will be taken into consideration before establishing a strategic or essential SOE:
- a) There is no private sector firm operating within the relevant sector providing the goods and/or services that the new SOE will provide or the service cannot be procured from private sector firm due to a legal restriction;
 - b) The Federal Government needs to establish a particular market in any sector of the economy which will be supported by the creation of the SOE, provided that such SOE shall under no circumstances be given exclusivity in provision of services or goods and shall strictly adhere to the principle of competitive neutrality as required under the Act and this Policy;
 - c) If a new SOE has been formed through the corporatization of an existing government function, the new SOE will be clearly categorized as either commercial or non-commercial;
 - d) The provision of the good and/or service cannot be procured through a public private partnership.

SOE Reforms and Restructuring

11. Each Division of the Federal Government which has SOEs operating within its administrative control under the Rules of Business, 1973, shall categorize the SOEs, in consultation with the respective Boards, in the following manner; and shall submit its recommendations of such categorization to the Cabinet Committee on SOEs within six months of coming into effect of this Policy:

- i. Strategic or Essential SOEs, as defined at Para 9 above;
- ii. Commercial SOEs to be privatized;
- iii. SOEs required to be restructured/reformed and retained in the medium-term; and
- iv. SOEs required to be restructured/reformed prior to privatization;

12. For non-strategic/non-essential SOEs, line Ministries/Divisions will develop a plan, in consultation with the respective Boards and the Privatization Commission where required, to transform these SOEs through different options including but not limited to corporate restructuring, management contracts, joint ventures, public private partnerships, listing on Stock Exchange and outsourcing under applicable laws.

13. a) In case the SOE is facing financial or operational problems, the Federal Government



shall require the Line Ministry, to develop a transformational plan for financial and operational improvement of the SOEs in consultation with the Board, and if required with CMU.

b) If the SOE is unable to perform satisfactorily financially and operationally after repeated efforts to improve performance, the Minister in Charge of the Federal Government shall:

- i. Declare it a sick company in terms of section 292 of the Companies Act, 2017 and any institution, authority, committee, or person may be authorized there under to draw up a plan for the rehabilitation, reconstruction, and reorganization of such SOE.
- ii. Allow the Privatization Commission to determine the next steps for these SOEs, and in this regard, the Federal Government, if it deems appropriate or necessary, may recommend measures to protect the strategic interest of the Federal Government during the transformation process.

Chapter 4: Institutional Arrangements

Federal Government

14. The Federal Government shall:

- a) exercise all the powers and rights that shareholders have in relation to the SOE;
- b) the Federal Government shall ensure the establishment of a standing committee of the Federal Cabinet - Cabinet Committee on SOEs (CCoSOEs) - whose responsibility shall be to enforce and monitor the Act, this Policy and other ancillary matters; and
- c) the Federal Government shall ensure the establishment of a CMU in the Finance Division, whose primary responsibility shall be to perform functions as provided in Section 31 of the Act.

Cabinet Committee on SOEs

15. The CCoSOEs shall be responsible for:

- a) to enforce and monitor the implementation of the SOEs Act, 2023 and other related laws and policies;
- b) matters pertaining to the appointment on the Boards of SOEs;
- c) reform and restructuring proposals pertaining to SOEs;
- d) periodical review of financial and operational performance of SOEs;
- e) consideration and Recommendation to the Cabinet of policies, instructions, guidelines to SOEs;
- f) proposals for issuance of direction to SOEs to perform any public service obligation;
- g) any other related matter envisaged in the SOEs Act, 2023 and other related laws and policies.

The Line Ministries/Divisions

16. The Division to which the business of the SOE has been allocated under the Rules of Business,



1973 shall coordinate with the Board of such SOE to ensure compliance with the provisions of the Policy and the Act, including, without limitation, with respect to the development of the Business Plan, Statement of Corporate Intent (SCI), the annual and bi-annual Reports, timely establishment of systems of internal controls of the SOE, and reporting to the CMU. The process for developing and approving the Business Plan and SCI are contained at **Annex-1**. In addition, the concerned Division will also be responsible for:

- a) Ensuring that the Business Plans are in line with sectoral policies and the priorities, if any, of the Federal Government;
- b) Assess the fiscal implications, if any, of the business plans for the Federal Government. In case of any such fiscal implications, due consultations with Finance Division and/or Planning and Development Division, whichever be the case, shall be undertaken by the concerned Division and the views of the respective Divisions shall be conveyed to the respective Boards by such Divisions in a timely manner.
- c) Organize timely meetings of the Board Nominations Committee
- d) Review on a periodic basis the operating results and financial performance of the SOE to ensure that targets are being pursued, and bi-annual reports to the CMU are furnished within time and in the form and manner as required by CMU; and
- e) Establish a rigorous performance monitoring mechanism to evaluate the performance of Board members (ex-officio and independent). The framework is at **Annex-2**.

17. No direction will be given to the SOE or Board of the SOE by any Ministry/Division to perform any Public Service Obligation (PSO) or to bar the SOE from performing any operational function without the approval of the Federal Government. Ministries shall not deal with the micromanagement of SOEs. If the relevant sectoral policy gives the mandate to a Ministry/Division or other agencies to act in the emergency situations in a manner prescribed through the said policies, then the line Ministry/Division may carry out such functions under the sectoral or regulatory policy, and the steps taken/directions issued by the Ministry/Division shall be submitted by the Ministry/Division for the ratification of the Federal Government. SOEs shall be compensated under Public Service Obligation (PSO) framework if the directions issued by the Ministry/Division imposes financial burden on SOEs and such financial burden is not part of the routine repair, maintenance and service delivery functions of the said SOE.

18. The sectoral regulatory regime under which the SOE is operating will apply concurrently.

Central Monitoring Unit (CMU), Finance Division

19. CMU will establish a central electronic database of information on the financial and non-financial performance of every SOE. Finance Division will ensure deputing/engaging the qualified and experienced professional management and staff in the CMU. The database developed by the CMU will generate bi-annual reports and shall submit the same for the consideration of CCoSOEs. The database will contain financial and non-financial performance information for each SOE.

20. CMU will analyze SOEs business plans and will present their analysis and recommendations to CCoSOEs. CMU may also provide input on the draft SCI, Business Plan and reports by the SOEs if requested by the line Ministry/Division. However, such input provided to the line Ministries/Divisions will not be binding. CMU will develop a monitoring framework for the SOEs against the financial and non-financial benchmarks agreed in the Business Plans. The annual consolidated monitoring report of SOEs will be published on the website of the Finance Division at the beginning of the second



quarter of each succeeding fiscal or Calendar year (whichever is more appropriate).

21. The CMU shall provide financial and operational performance analysis along with recommendations to the Federal Government on all matters related to the operation, performance, and governance of SOEs, including:

- a. the overall performance of SOEs;
- b. performance of SOEs against their primary objectives, business goals, and financial and non-financial performance targets and benchmarks;
- c. investment in, loans to, and guarantees of SOEs;
- d. the risks associated with the SOE sector that could affect the State's investment in SOEs and the State's exposure to explicit and implicit fiscal risks associated with SOEs;
- e. proposals relating to major transactions¹ by SOEs as and when required by the Federal Government;
- f. international and national best practices by SOEs for encouraging and enhancing efficiencies and service delivery, and for improving performance;
- g. maintaining data on a pool of pre-qualified individuals for consideration as directors by the Board Nomination Committee (BNC);
- h. input on agreements for public service obligations as and when required by the Federal Government;
- i. support to CCoSOEs to ensure compliance by SOEs with this Policy and the SOEs Act;
- j. input on privatization, mergers and winding up of SOEs as and when required by the Federal Government;
- k. Analysis of the statements of corporate intent, business plans, annual reports, and semi-annual reports to be submitted to the Federal Government; and
- l. any other matter which the Federal Government may require.

The framework for CMU's role and monitoring processes is at **Annex-3**.

Chapter 5: Appointments and training of directors for the Boards of SOEs

22. CMU will maintain a database of all directors of Boards of SOEs based on the data shared by the line Ministries/Divisions. For this purpose, each Ministry/Division shall (i) share the details of the appointments on the Boards of SOEs under its administrative control, and (ii) at the end of a Board member's tenure, the line Ministry/Division will share performance evaluation of each member of the Board to the CMU. On request by the Board Nomination Committee (BNC), The CMU shall share such database with the BNC to take into account the prior performance of the proposed Board Member in case the same individual is considered for another appointment on the same or a different SOE's Board.

23. a) The Board Nomination Committee in the relevant Ministry/Division shall submit its

¹ Any transaction that has a value exceeding 30% of total assets or 30% of total liabilities (less shareholder funds).



proposals for the appointment of Directors for approval of the Federal Government through Cabinet Committee on State-Owned Enterprises (CCoSOEs).

b) The procedure for filling the causal vacancies on the Board shall be the same as the Para-23(a) above.

c) The BNC shall ensure that the designated officers represent the Federal Government in the Annual General Meeting (AGM) of the companies as per the relevant sections of the respective Articles of Association and the provisions of the Companies Act, 2017.

d) The Nomination and Appointment Procedure to be followed by the BNC is given at **Annexure 7**. The BNC will comprise of the following as provided in Section 10(1) of the Act:

(a) the Minister in Charge to which the business of the state-owned enterprise has been allocated under the Rules of Business, 1973, who shall also be the Chair of the Committee:

provided that where the Minister in Charge is the Prime Minister, he may nominate another member of the Federal Government to be Chair of the Committee;

(b) the Secretary of the Division to which the business of the state-owned enterprise has been allocated under the Rules of Business, 1973; and

(c) the Secretary of the Finance Division or his nominee of at least BPS 21.

24. The BNC will ensure the compliance to the following guidelines for making a proposal for SOE Boards unless absolutely necessary or required by law:

- a) the size of the proposed SOE Board shall range between 5 to 11 members unless otherwise specified in any applicable statute.
- b) there will be a majority of independent directors (non-ex-officio and non-executive)
- c) in selecting a candidate, the committee will ensure that, upon appointment, the Board shall consist of independent directors, ex-officio directors and the chief executive officer of the SOE where required by law, with the requisite skills, competence, knowledge, experience and approach so the Board as a group includes core competencies and diversity required to assist the SOE to achieve its primary objective (section 11(1) SOE Act).
- d) adequate gender representation may be ensured when making nominations to the SOE Boards.
- e) the nominees may also reflect a balance in the age of the nominees to the Boards, with a view to developing a second generation of independent directors. At least one member on the Board should be a young private sector individual, preferably below the age of 40 years.
- f) representation of academia, trade & industry and civil society may be considered.
- g) independent director nominations should be made considering the ability of the nominee to devote the required time to effectively undertake the responsibilities of director.
- h) the tenure of the independent directors on the Boards of Public sector Companies (PSCs) shall be three years and in case of other corporate bodies, covered under the Act, the period shall be as mentioned in their respective statutes.



- i) an independent director shall not be appointed to the same Board after two consecutive terms unless the period of three years has lapsed.
- j) an Independent Director shall not serve for more than nine years on the Board.
- k) the Chairman of the Board will be appointed by the Federal Government from one of the independent directors.
- l) the offices of Chairman and CEO must be kept separate.
- m) representation from the administrative Ministry/Division on the Boards of SOEs shall be restricted to one member per Board.
- n) the representation of any other Ministries/Divisions (other than Ministry of Finance) and any other public sector agency shall be discouraged.
- o) The Ministries nominating ex-officio members to the Board will ensure that the officer nominated possesses the required knowledge, skills, and experience to make a meaningful contribution to Board and committees' deliberation. Adequate fee shall be fixed for the independent and ex-officio directors for attending Board and committee meetings along with any travelling, Boarding lodging that is essential for attending the above meetings. The remunerations shall commensurate with the level of responsibility and expertise and no additional perks and privileges will be admissible to the directors. The remuneration shall not be at a level that could be perceived to compromise the independence of the Board members.
- p) appointment of an individual to more than 5 Boards simultaneously shall be prohibited.

25. Each director of the SOE will have to satisfactorily complete Director Training Program for SOEs. This customized program for directors of SOEs will be developed by the SECP in partnership with other stakeholders. The directors will take this training within six months of their appointment.

26. Each Board of a Company will be responsible for selecting and appointing the Chief Executive Officer (CEO) under a performance-based contract as per the criteria set by the Board. CEOs will only be appointed and removed by the 3/4 majority resolution of the Board, which shall include the ex-officio nominee directors. Financial compensation for the CEO will be determined by the Board. The CMU shall issue guidelines/rules for appointments of the key positions namely CEO, Chief Financial Officer (CFO), Chief Internal Auditor (CIA) and Company Secretary of the Public Sector Companies within six months of the issuance of this Policy. Till new guidelines /rules for appointments of these positions are issued by CMU under this Policy, the existing provisions under Public Sector Companies (Corporate Governance Rules), 2013 will be applicable subject to compliance with the Act and the Policy.

Competitive Neutrality

27. No SOE or any subsidiary of the SOE will be granted any special exemption which gives them an unfair competitive market advantage or maintain a dominant market position to the detriment of development of a sector unless notified by the Federal Government on a case to case basis. The Federal Government will ensure that SOEs, simply by virtue of their state ownership, do not enjoy any competitive advantages over their private sector competitors without objective justification. The detailed framework is at **Annexure-4**.



Issuance and Reporting of Guarantees for SOEs

28. The Debt Policy Coordination Office (DPCO) of the Ministry of Finance in consultation with the CMU will issue a risk analysis report on contingent liabilities of SOEs on an annual basis to be presented to the Federal Government and published on the website of the CMU/Ministry of Finance under section 4(1)(c) of the Act. Every SOE will clearly state and publish in their annual report all contingent liabilities, guarantees provided by the Federal Government, or third parties on behalf of the Federal Government, payables to other SOEs and any loans or other financial support provided by the Federal Government or other SOEs.

Human Resource of SOEs

29. All SOEs shall establish Human Resource (HR) policies to improve the quality of their human resources and organizational structure after approval from their respective Board of Directors.

30. SOEs will consider following guidelines for developing their HR policies:

- a) HR Policy/rules/regulations shall be approved, amended, or superseded with the approval of the Board of Directors of that SOE, unless otherwise provided in the primary legislation of the statutory SOEs. Such Policies/rules/regulations shall be based the principles of fairness, transparency and equity.
- b) Regular HR review mechanism shall put in place with the view to rationalize the workforce.
- c) The Board shall ensure that wherever possible the new appointments may preferable be on the contract basis with termination clause of one month notice.
- d) All SOEs shall carry out annual performance evaluation of their human resources and the decisions for continuation/termination of the contract shall be based on the performance evaluation.
- e) Fit and proper criterion for the appointment of CEO, CFO, CIA, Company Secretary and other senior management officers by whatever name called shall be in accordance with the Section 16 and Schedule IV of the SOEs, Act, 2023.

Accounting and other Financial Standards

31. Finance Division, in consultation with the Auditor General of Pakistan, is mandated to issue detailed framework for financial management of statutory SOEs. All SOEs will establish internal audit procedures and mechanisms as required under sections 19 and 20 of the Act. Details are at **Annexure 6**.

Public Service Obligation (PSO)

32. Under section 7(4) of the SOEs Act, 2023 the Federal Government may direct a commercial SOE to undertake a PSO. If undertaking the PSO is not consistent with the SOE's primary objective, the Federal Government must agree in writing to compensate the SOE in a manner that maintains the SOE's commercial viability. The PSO framework is at **Annexure-5**.

Board Committees

33. The Act has laid down the framework for the establishment of an Audit Committee of the Board. An overview of the process and functions of the Audit Committee is at **Annexure 6**. However,



the Boards of SOEs can establish other committees as and when needed.

Code of conduct

34. The Board of each SOE shall develop a Code of Conduct for the Directors as well as for the employees of the SOE which shall include, as per Section 19(2) of the SOEs Act, the matters elaborated in schedule 5 of the Act and the Manner of Regulations of Conflict of Interest at Annex-8 of the Policy. The Board shall ensure that the Code includes the procedures of disciplinary action against those who violate the Code and in case of any violation by the Directors such procedure should be in accordance with the relevant provisions of the Companies Act, 2017.

Fit and Proper Criteria

35. Securities and Exchange Commission of Pakistan shall review and monitor the nominations on the Boards of SOEs and shall inform the line Ministry/Division as well as the CMU in case of any violation of the Fit and Proper criteria. The Secretary of the line Ministry/Division shall be responsible for taking appropriate actions on the information provided by SECP. However, an independent Director shall submit, along with the consent to act as Director, a declaration to the SOE that he/she qualifies the Fit and Proper criteria notified under the Act. Further the Independent Director shall also give such declaration to the SOE and SECP on an event of any change affecting his/her independence post appointment.

Public Disclosure

36. CMU shall regularly publish the Summary of the bi-annual reports on financial and economic performance of the SOEs for public information on its web portal, after the consideration of the report by the CCoSOEs and the Federal Government. Moreover, all the SOEs shall disclose their bi-annual reports on financial and economic performance of the SOEs on their respective websites after, the CMU has uploaded its report.



Annexure-1

Process and timeline for development of Business Plan and Statement of Corporate Intent (Section 8 and Schedule 3 of the SOE Act)

When developing the business plan and statement of corporate intent (SCI), Board and management must ensure that these are consistent with the primary objective. It is also true for supporting plans such as the asset management plans, debt management policy, risk management plan, and business continuity management procedures.

A. PREPARATION TIMING FOR BUSINESS PLAN AND SCI

The business plan is a detailed planning document containing potentially commercially sensitive information, whereas the SCI is a public summary. The preparation timetable has been developed to factor in the line Ministry's and CMU's review of the business plan and SCI before it is adopted by the Board so that their feedback can be taken into consideration.

Note: neither the line Ministry or CMU is required to, or has the power to, approve the business plan or SCI. They are consulted on the content of the business plan. **If either the line Ministry and / or CMU do not provide comments on the draft business plan within the 3 weeks provided the SOE can assume that the line Ministry and / or CMU have no comments and the Board can proceed to finalize the business plan and SCI.**

TABLE 1: Preparation of business plan and SCI

Timing	Action
Beginning of month 5 before end of FY - about the time draft semi-annual accounts are available	Board and management map out strategic issues to be covered in business plan
Beginning of month - 4 before end of FY	Management commences drafting business plan and budgets
Beginning of month - 2 months before end of FY	Board and management submit draft business plan to CMU and line Ministry for review and comment. SOE management commences drafting SCI
5 weeks before end of FY	Line ministry and CMU may provide formal feedback on draft business plan.
4 weeks before end of FY	SOE management submit draft SCI to Board
Between 3 and 2 weeks before end of FY	Board and management finalize business plan and SCI
At least 1 day before end of FY	Board adopts business plan and approves the SCI
Within one month after the SCI is approved	Board causes to have the SCI published on SOEs website and sends adopted business plan and SCI to the line Ministry and CMU
Within two to four months after the business plan is adopted by the SOE Board and SCI approved	CMU submits business plan to the Cabinet Committee on SOEs with CMU's and line Ministry's analytical appraisal of content and impact of adopted Plan.

FY = financial year



B. THE ANNUAL REPORT

The annual report is a key accountability document, SOEs must submit their annual report to the Federal Government within 4 months after the end of the financial year to which the annual report relates. Sections in the SOE Law dealing with the financial statements and annual reports are sections 25, 26 and 27. Section 28 deals with the semi-annual report.

The preparation and approval of financial statements shall continue to be in accordance with the Companies Act, 2017. However, some specific requirements, with respect to financial statements and annual report of an SOE shall inter-alia include the following:

- a. Financial statements must be prepared in accordance with international financial reporting standards (IFRS) within three years of the approval of the act.
- b. Annual report must include subsidiaries.
- c. Annual report must be accompanied by a statement that:
 - i. There are reasonable grounds that the SOE shall be able to pay their debts as they become payable, and
 - ii. The financial statements and notes comply with the requirements of the SOE Law.

The Board of the SOE may omit information from the annual report that is commercially sensitive but must then submit a report to Federal Government stating the reasons the information has been omitted.

A summary of the annual report must be published on the SOE's website or another suitable site, such as the line Ministry's website within one month of the report being submitted to the Federal Government and the summary must show how actual performance relates to performance targets in the SCL.

TABLE 2: Timetable for Preparation of Annual and Semi-Annual Reports

Timing	Action
Two months after the end of the first half of the FY	Board adopts semi-annual accounts including report on progress against SCL targets and submits to CMU, and the line Ministry
4 months after the end of the FY	Board adopts audited financial statement and annual report. The audited financial statements are approved by the AGM. Upon the approval of the audited financial statement the Board submits the audited financial statement and annual report to the line Ministry and CMU.
Within one month of adopting the audited annual accounts	Board publishes a summary of audited financial statement and annual report on SOE's website (or line Ministry's website) with actual performance compared to SCL targets

C. FOCUS AND OUTLINE OF BUSINESS PLAN

The SOE Law establishes the minimum requirements for the business plan. However, to develop an effective business plan it should discuss and cover the following matters:



- Within the context of the primary objective the plan should start with a clear statement of the SOE's main organizational objectives - a statement of its purpose, which is often termed the vision and mission.
- The plan should comment upon the shareholder's or owner expectations of the SOE.
- How the Board is going to govern the SOE so that it will achieve the objectives over the period of the plan
- Where does the Board see the SOE in three, five or ten years - the longer-term vision
- What does the SOE require to achieve the strategic, operational, and financial objectives
- What are the main barriers that might frustrate the SOE's efforts to achieve the objectives? How the SOE will overcome the barriers and take advantage of opportunities - this could be dealt with through a SWOT² analysis
- What are the key performance indicators (KPIs) that the SOE will adopt to be able to monitor and measure its success in attaining the strategic, operational, and financial objectives?
- What are the key financial and operational assumptions that have been incorporated into the forward projections? For material assumptions a sensitivity analysis should be included to assess potential impact if the assumption is not realized.

Business Plan content

Section 8 of the SOE Law sets out the general content of the Plan. The Plan must contain cover three financial years and contain information about the operations, strategic direction, and financial and non-financial performance measures and demonstrate how the SOE will achieve its primary objective.

The importance of financial and non-financial measures

Progress against financial performance measures provide the Board and external stakeholders with a picture of how the corporation is performing in the present. Non-financial performance measures provide the Board and external stakeholders with a picture of the future.

² Strengths, opportunities, weaknesses, and threats



Annexure-2

Director Performance Review Framework

The Federal Government of Pakistan requires that State-owned Enterprise (SOE) directors, independent and ex-officio, undertake periodic evaluation of the Board's performance and the contribution made by individual directors. The following performance evaluation review framework shall therefore, be applicable on independent and ex-officio directors.

Within six months of the approval of the Policy the Central Monitoring Unit (CMU) will distribute a default template to be used by all SOEs for director evaluations. The default will set the minimum requirements for director and Board performance assessments. Boards may adopt a more robust performance review framework provided it has been approved by the relevant line Ministry and CMU. The assessment questions in the CMU developed template will relate to Core Competencies for all directors which will be attached to the CMU performance review framework when shared with SOEs. Directors are encouraged to review the core competencies before completing the self-evaluation.

It is expected that the director's performance review will be undertaken by the SOE Board once every two years. The CMU will provide support to BNC in the process of selection of directors if required by the line ministry.

PROCESS**Director Reviews**

- Directors will undertake a self-assessment using the template developed by the CMU.
- The chairperson will review each individual director using the template developed by the CMU

The chairperson and directors will meet and discuss their respective evaluations and agree a final score and insert agreed clarifying comments. The completed review will be forwarded to the BNC and copied to the Central Monitoring Unit (CMU) for record.

Chairperson Reviews

- The chairperson will complete the self-assessment using the template and share with the deputy chair. If there is no deputy chair, then the Board shall select a member who has served on the Board for a reasonable period to undertake the interview/review with the chair.
- Prior to the review, the reviewer/interviewer should canvass the views of the Board as a whole so that the Board's collective input can be provided for the chairperson's benefit.
- The chairperson and deputy chair, or nominated director, will meet, and discuss their respective evaluations and agree a final score and insert agreed clarifying comments. The completed chair review will be forwarded to the BNC and copied to the CMU for record.

Board MEMBER DEVELOPMEN

The Board should develop a plan for the capacity enhancement of the Board.

ABSOLUTE REQUIREMENTS

All directors and chairpersons must meet the Absolute Requirements that will be set out by the CMU as part of the performance review framework to be eligible for reappointment. The BNC may consider reappointment in cases where there has been non-compliance with one of the Absolute



Requirements if the non-compliance has arisen due to circumstances beyond the control of the director. Non-compliance must be disclosed at the time of or prior to the director's review.

Board SURVEY

A Board Survey is to be completed by each director on an annual basis, the template for which will be issued by the CMU. It is suggested that it be completed at the last Board meeting held in each financial year. The Board Survey will be shared with all Board members and the relevant line Ministry with a copy to CMU. **It is intended to provide the Board and directors with an opportunity to comment on Board processes and areas for improvement and development.** It is not a formal part of the director's performance review process.



Annexure-3

CENTRAL MONITORING UNIT

FUNCTION PROCESSES AND TIMELINES

CMU reports to Federal Government

Table 3: Reports to Federal Government

Activity	Timing	Action
Semi-annual report on SOE performance against primary objective and business plan and Statement of Corporate Intents (SCI) targets	4 months after the end of the first half of the financial year	CMU will prepare and submit a summary report on SOEs' progress against business plan targets based on analysis of SOE semi-annual reports and other input as required.
Annual report on SOE performance against primary objective and business plan and SCI targets	6 months after the end of the financial year	CMU will prepare and submit a report on SOEs' progress against business plan targets based on analysis of SOE audited financial statements and annual reports and other input as required.
Report on quality of business plans and SCIs, learning, and feedback	3 months after the commencement of the financial year	CMU will undertake detailed analysis of SOEs' business plans against best practice and will advise on quality and relevance of information, if required, and whether the key performance indicators are SMART ³ and relevant to the SOE's primary objective. The analysis, feedback and recommendations for improvement will be submitted to CCOSOs in its consolidated Report.
Report on quality of annual reports generally – content relevance etc., learnings, and feedback to line ministries and FG	5 months after the end of the financial year covered by the annual report	CMU will undertake high-level analysis of the content of SOEs' annual report against good practice and accounting standards and will advise on quality and relevant of information. The analysis, feedback and recommendations for improvement will be submitted to FG, line Ministries, MOF and SOEs
Report on Risks	1 month after the commencement of the financial year	CMU will submit to FG, line Ministries and MOF a report on the risk associated with the SOEs and sectors that could impact state's investment in SOEs.

3 Smart, Achievable, Meaningful and Measurable, Relevant, and Time bound



CMU Aggregate report to FG and Public

Activity	Timing	Action
Annual aggregate report on SOE performance	6 months after end of the financial year	CMU prepare draft aggregate report for SOEs covering at least the following: progress with implementation with SOE management policy; compliance with SOE law, aggregate financial performance, key financial and non-financial performance indicators, portfolio size and sector distribution, Board composition, report on individual SOEs, budget support and PSOs provided to SOEs. Draft to be submitted to line Ministries, Ministry of Finance and CCoSOEs
	7 months after end of financial year	Report shared with relevant stakeholders and the feedback is received
	8 months after the end of the financial year	CMU submit final report to CCoSOEs for consideration
	9 months after the end of the financial year	The Report is published on the website of CMU/ Finance Division

INSIDER TRADING

From time-to-time CMU staff may receive information from listed SOEs that is not in the public domain and may or may not be price sensitive. For example, a listed SOE will provide CMU with a draft business plan which may contain inside information. CMU staff must abide by the inside information rules contained in the Securities Act 2015. It is up to each CMU staff member to ensure that they are familiar with the rules. If there is any doubt regarding their application to a particular circumstance, legal advice should be obtained. Any violation of the aforementioned clauses of Securities Act will be dealt under applicable laws.

ENSURING THE INTEGRITY OF INFORMATION SUBMITTED TO CMU**INTRODUCTION**

Information submitted to, or sourced by CMU, will come from the following primary sources

- SOEs monitored by CMU,
- Line ministries that are responsible for SOEs monitored by CMU,
- Federal Government and government committees,
- Ministry of Finance, and
- CMU's own research.

These guidelines will ensure that information held by CMU will be secure and information provided to or sourced by CMU can be relied upon to the extent that CMU can control the accuracy of information provided to it.



Information provided to CMU by SOEs, line ministry and government (including Ministry of Finance and CCoSOEs)

- CMU will maintain a list of names, positions and email addresses for persons authorized by SOEs, line ministries to provide CMU with information as part of CMU's monitoring and analytical activities.
- CMU will update the list at least annually by requesting SOEs, line ministries and government to confirm currency of the list.
- CMU will not be required to validate the accuracy of information provided to it by SOEs, line ministries and government if they are submitted by an authorized person.

Information sourced by CMU

Any information sourced by CMU to enable it to undertake its functions under section 31 of the SOE Act shall be referenced as to source.

INFORMATION PROTECTION

- All commercially sensitive information held by CMU in electronic form shall be password protected.
- Only designated persons will be able to gain access to password protected information.
- Information that is not in the public domain, such as price sensitive information received from a listed SOE, must require two-person password protection as joint signatories until the information is publicly available and then it can be stored in the normal storage / filing system without password protection.
- Information that is not in the public domain, such as price sensitive information received from a listed SOE, which is in hard copy or non-electronic form must be locked in a secure cabinet requiring two keys to unlock. Keys must be held by two different staff members. When the information is publicly available it can be stored in the normal storage / filing system without password protection.
- IT systems' security and processes must be reviewed at least semi-annually by an external security expert.
- All information relating to potential SOE director candidates must be held in password protected electronic files or in secure locked cabinets. Access to locked cabinets will be limited to designated staff.
- Wherever possible information will be stored in electronic format with password protection as provided herein.

INSIDER TRADING AND RELATED PARTY TRANSACTIONS

All CMU staff must make themselves familiar with the policies on insider trading and related party transactions and must sign an agreement to be bound by the policy upon appointment to CMU.

As part of CMU staff employment contracts, staff will agree to keep all CMU information confidential unless the information has been made publicly available either through a formal CMU report or by another body, such as the SOE, line ministry of Federal Government.



Annexure-4

FRAMEWORK FOR ENSURING COMPETITIVE NEUTRALITY OF THE STATE WITH RESPECT TO SOEs

This Framework is designed to avoid undue regulatory and financial advantages granted to commercial SOEs therefore ensuring competitive neutrality.

Scope of the Framework

Objectives of the Framework are to ensure a level playing field both between state-owned and privately-owned enterprises, and between different privately-owned enterprises.

The Framework provides that the Federal Government of Pakistan should ensure that rules applied to enterprises within domestic markets are neutral. For example, the rules should maintain competitive neutrality in the enforcement of competition and bankruptcy law, so that competing enterprises are subject to equivalent rules, irrespective of their ownership, location, or legal form. In addition, the Federal Government will ensure that competing activities are subject to the same regulatory environment and that commercial SOEs are not responsible for regulating the markets in which they compete.

The Framework requires the Federal Government to preserve competitive neutrality when designing measures that may enhance a SOE's market performance and distort competition. For example, the Federal Government shall avoid offering undecided advantages that distort competition and selectively benefit SOEs over private competitors.

Definitions

The following definitions are used in this Framework:

- **Competitive Neutrality:** a principle according to which all Enterprises are provided a level playing field with respect to a state's (including central, regional, federal, provincial, county, or municipal levels of the state) ownership, regulation, or activity in the market.
- **Enterprise:** any entity engaged in offering goods or services on a market, irrespective of its legal form - companies, limited liability companies and partnerships limited by shares.
- **Commercial SOE** as defined in the SOE Policy and SOE Law.
- **Public Policy Objectives:** objectives benefitting the public interest within Pakistan.
- **Public Service Obligations:** as defined in the SOE Policy and SOE Law

Framework

The Federal Government shall ensure Competitive Neutrality, to the maximum extent practicable and unless overriding Public Policy Objectives require otherwise, by:

1. Ensuring that the legal framework applicable to markets in which Enterprises currently or potentially compete is neutral and competition is not unduly prevented, restricted, or distorted. To this effect, the Federal Government will:
 - a) Adopt or maintain, an appropriate, a competitively neutral competition law that addresses anti-competitive conduct and includes merger control.



- b) Maintain Competitive Neutrality through the creation and enforcement of effective competition, and enforcement of bankruptcy law, so that competing Enterprises are subject to equivalent competition and bankruptcy rules, irrespective of their ownership, location, or legal form, and that the enforcement of those laws does not discriminate between commercial SOEs and their private competitors, or between different types of privately owned Enterprises. However, the above would not rule out measures aimed at safeguarding competitive neutrality.
 - c) Maintain Competitive Neutrality in the regulatory environment. In particular, the Federal Government shall:
 - i. Subject competing activities to the same regulatory environment and enforce regulations with equal rigor, appropriate deadlines and equivalent transparency with regard to all current or potential market participants;
 - ii. Ensure that Enterprises, regardless of their ownership, location, or legal form, are not ultimately responsible for regulating the market(s) in which they currently or potentially compete (especially regarding entry or expansion of existing players); and
 - iii. Carry out competition assessments that identify and revise existing or proposed regulations that unduly restrict competition.
 - d) Establish open, fair, non-discriminatory, and transparent conditions of competition in government procurement processes to ensure that no Enterprise, regardless of its ownership, nationality, or legal form is granted any undue advantage.
2. Preserving Competitive Neutrality when designing measures that may enhance an Enterprise's market performance and distort competition. To this effect, the Federal Government shall:
- a) Avoid offering undue advantages that distort competition and selectively benefit some Enterprises over others. Such advantages would for example include exclusive licensing regimes, loans, loan guarantees and state investment in capital, conditions not in line with market principles, as well as favorable tax treatment, grants and goods or services provided by government at favorable prices. Where achieving an overriding Public Policy Objective requires an exception, this should be transparent to all, proportionate and periodically reviewed. It is recognized that commercial SOEs may be subject to more stringent specific rules which limit the provision of government support to such entities.
 - b) Set compensation for any public service obligation placed upon a commercial SOE so that it is appropriate and proportionate to the value of the services. In particular, the Federal Government shall:
 - i. Transparently and specifically identify any public service obligation placed upon a commercial SOE;
 - ii. Impose high standards of transparency, account separation and disclosure on commercial SOEs with public service obligations around the incost and revenue structures to ensure that compensation provided for fulfilling public service obligations is not used to cross-subsidize the offering of goods or services on another market; and
 - iii. Establish or maintain independent oversight and monitoring to ensure that



remuneration for public service obligations is calculated based on clear performance targets and objectives and based on efficiently incurred costs, including capital costs.

- c) Adopt structure and governance rules for commercial SOEs that do not provide them with an undue advantage that distorts competition.
3. Take steps to put in place suitable accountability mechanisms to support and monitor the implementation of the principles set forth in this Framework.



Annexure-5

Public Service Obligation Framework

1. The Federal Government may in writing require a commercial state-owned enterprise to:
 - (a) provide a specified service or perform specified activities; or
 - (b) cease providing a specified service or performing specified activities.
2. Within one month of receiving the written proposal from the Federal Government, the State-owned enterprise must respond to the notice in writing, stating, with reasons, whether the State-owned enterprise:
 - (a) agrees to give effect to the proposal; or
 - (b) finds the request to be inconsistent with the primary objective of the State-owned enterprise.
3. If the commercial state-owned enterprise gives a notice under clause (2)(b), the Federal Government and the commercial state-owned enterprise must enter into good faith negotiations with a view to agreeing arrangements under which the commercial state-owned enterprise can give effect to the Federal Government proposal without acting inconsistently with its primary objective.
4. If an agreement is reached under clause (3), the arrangements for giving effect to Federal Government proposal shall be incorporated in a Public Service Obligation Agreement which:
 - (a) must be in writing;
 - (b) must be approved by the Federal Government and the Board of the commercial state-owned enterprise;
 - (c) may include provision for funding or other resources to the commercial state-owned enterprise;
 - (d) if it provides for the commercial state-owned enterprise to provide goods or services, must—
 - specify the goods or services, including any particular quantities;
 - specify an estimate of the annual total cost to the commercial state-owned enterprise for providing the goods or service, and an estimate of the annual total revenue to be received by the commercial state-owned enterprise for doing so; and
 - specify how the performance of the commercial state-owned enterprise in providing the goods or services will be monitored and assessed;
 - (e) may include any other matter, not inconsistent with this Act, that is agreed between the Minister in Charge and the commercial state-owned enterprise.
5. For the avoidance of doubt, if the Federal Government directs a commercial state-owned enterprise to provide specified services or perform specified activities through cross-subsidizing the cost between different groups of users and the revenue collected by the commercial state-owned enterprise from the cross-subsidization does not cover the costs, the Federal Government and commercial state-owned enterprise will agree the short-fall to



be funded by the Federal Government and enter into a public service obligation agreement as provided in clause (4). However, a cross subsidy between different groups of users which is in accordance with a tariff determined by a regulator or the commercial state-owned enterprise's own pricing mechanism, is not a public service obligation and will not require a public service obligation agreement as provided in clause (4).

6. The obligations under a public service obligation agreement shall be binding.

PSO framework process

Step	Activity	Timing	Action
1	Discussions between line Ministry, Ministry of Finance (MOF) and SOE on possible PSO activities	When possible PSO identified	Either SOE or line Ministry or Federal Government identify possible PSO. PSO is defined in broad terms – high-level description of desired outcomes / outputs and high-level costings based on the framework developed by the CMU.
2	PSO proposal submitted to FG	Following line Ministry and MOF assessment of high-level PSO description and costing	Line Ministry or MOF submit paper to FG recommending PSO with high-level costing and description of desired outcomes / outputs and explanation of social / economic benefits sought. SOE is consulted on content of paper.
3	Federal Government requires SOE to undertake PSO	FG approves line Ministry / MOF paper	FG writes to SOE and requires SOE to undertake PSO (or cease undertaking an activity as the case may be).
4	SOE responds to PSO direction	Within 1 month after step 3	SOE responds in writing, with reasons, stating that it (a) agrees to provide the PSO, or (b) determines that providing the PSO is inconsistent with the SOE's primary objective and declines the direction.
5	Negotiation	Within 2 months after step 3	SOE and line Ministry enter negotiations with a view to agreeing arrangements under which the SOE could provide the PSO in a manner consistent with the SOE's primary objective
6	Agreement	At conclusion of negotiations	If agreement cannot be reached negotiations end. If agreement is reached line ministry and SOE will enter into agreement with the approval of the government.
7	PSO agreement documented	Within 1 month after step 6	Agreement must be in writing; include provision for funding the PSO, or other resources to be provided to the SOE; specify the goods and / or services and qualities (where relevant); the net cost to the SOE in providing the goods and / or services (cost to provide PSO less any direct revenue received); and specify performance criteria and how monitored.



8	Submit agreement to FG	Within 1 month after step 7	Line Ministry submit PSO agreement to FG for approval
9	Submit agreement to SOE Board	Within 1 month after step 7	SOE management submit PSO agreement to Board for approval
10	Binding agreement concluded	Within 6 weeks after step 7	Binding agreement executed
11	Monitoring schedule agreed	Within 1 month after step 10	Line Ministry and SOE document and implement monitoring procedure and timeline established in the PSO agreement
12	Reporting	When drafting business plan and SCI	SOE includes all PSOs in the draft business plan and SCI and all agreed PSOs in the adopted business plan and SCI, including net cost and description, in accordance with requirements in SOE Act and Policy
13	Reporting	When drafting semi-annual and annual reports	SOE includes all PSOs in the draft semi-annual and annual accounts and all PSOs in the adopted semi-annual and annual accounts, including net cost and description, in accordance with requirements in SOE Act and Policy



Annexure 6

Audit Committee and Systems of Internal Control

Section 21 of the SOE (Governance and Operations) Act, 2023 (the SOE Act) requires every State-owned Enterprise (SOE) to establish an Audit Committee. Section 20 of the SOE Act requires every Board to develop systems of internal control and ensure their enforcement.

1. The audit committee shall be responsible for
 - recommending to the Board the appointment of external auditors, their removal, audit fees and provision of any additional service
 - determination of appropriate measures to safeguard the SOE's assets;
 - all reports and communications with external auditors;
 - review of half-yearly and annual financial statements;
 - ensuring coordination between the internal and external auditors; and
 - investigating any deviation from or violation of the SOE's code of conduct or other systems of internal control.

The Audit Committee shall meet at least every quarter of a financial year. All Board members are entitled to attend Audit Committee meetings and minutes of meetings must be submitted to the Board at the next scheduled Board meeting.

2. Audit Committee must meet prior to the approval of interim results by its Board of directors and after completion of external audit.
3. The SOE's annual report shall describe the work of the audit committee (including a copy of its terms of reference), with specific points that must be addressed for full disclosure and transparency.
4. The Board of directors shall evaluate the performance of the audit committee through a formal review mechanism. And assess whether its terms of reference require amendment. The fact that a review has taken place must be disclosed in the SOE's annual report. A review questionnaire for this purpose will also be prepared.
5. To understand the risks the SOE needs to identify the potential events that could impair its ability to realize its goals, estimate the magnitude of the consequence/impact on the company if such a risk event materializes, and estimate the probability of such an event materializing. This should be carried out through a comprehensive risk assessment that includes recommendations on how to manage unacceptable risks.

Internal Audit

Internal Audit will deal with following issues:

- a) Compliance audits,
- b) Financial audits,
- c) IT systems audits,



- d) Financial cycle and project audits, and
- e) Operational audits.
- The internal audit function should report, through the audit committee, on recommended improvements in the SOE's management and activities covered by the internal audit function. All internal audit reports must be submitted to the Audit Committee.
- The Audit Committee will consider the report and submit at least one summary to the full Board. The Board and Audit Committee shall determine and delegate to the Chief Executive what his or her role will be in the internal audit selection, function, and reporting.
- The internal audit function department must not become involved in operational matters, such as payments or selection of vendors, as that would compromise their independence when undertaking internal audits.

Regulations to be issued

The detailed framework for audit committee, internal controls and risk management will be issued by the Central Monitoring Unit (CMU) as regulations under this policy. The other primary sources of information on audit committees are found in:

- (a) For listed companies: Listed Companies (Code of Corporate Governance Regulations), 2017 (LCR);
- (b) For banking companies: Prudential Regulations for Corporate/ Commercial Banking (Risk Management, Corporate Governance and Operations), 2015;
- (c) For public sector companies (PSCs): Public Sector Companies (Corporate Governance) Rules, 2013 (as amended in 2017).



Annexure 7

1. This Nomination and Appointment Procedure has been prepared to support the implementation of the State-owned Enterprise director selection and appointment process contained in the State-owned Enterprise Act. It is the purpose of this SOE director selection and appointment process to ensure that independent directors are selected that will assist the SOE to achieve the primary objective and meet the requirements of the SOE Act.
2. The Board will be responsible for submitting the terms of reference, identified skill-gap, and brief explanation supporting the skill-gap to the Board Nominations Committee (BNC) for the selection of independent directors.
3. The Board will be responsible for ensuring each newly appointed director receives adequate induction training.
4. Every SOE shall establish a register of all interests declared by directors in accordance with a specified framework. The process for selection and appointment of directors will also be clarified.
5. In case of a new vacancy in the Board during the tenure of the Board, a director of a State-owned Enterprise must be appointed or reappointed by the Federal Government in the case of independent directors and Division or public sector organization in the case of an ex-officio director.
6. CMU will assist the BNC through developing and maintaining database of potential independent directors prepared based on the history of Board appointments, skills, knowledge, and experience, gender, and their performance evaluation.
7. The BNC is responsible for identifying and recommending candidates to Federal Government for appointment as independent directors.
8. The BNC is responsible for recommending ex-officio positions to be held by the relevant Division or public sector organization of the Federal Government, or where necessary, a Provincial Government.
9. A detailed framework for Board appointment process, recording interests, director induction, and BNC processes will be issued by CMU



Annexure 8

Manner of Regulation of Conflicts of Interest, including procedures for Identification and Reporting of Direct and Indirect Interests

1. Unless expressly stated otherwise the requirements regarding interest, conflicts of interest and related party transactions contained in the Companies Act 2017 will apply to all SOEs.
2. Directors must not involve themselves in a situation in which he or she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company / SOE. Directors must not achieve or attempt to achieve any undue gain or advantage to himself or herself, any relative, partner or associates.
3. Any gain proven must be paid back. Directors must disclose any interest in writing to the Board as soon as the interest is created or known. Interests must be recorded in an interests register, the template for which will be provided, as well as a disclosure form. Both forms will be provided by CMU
4. Guidance will also be provided by CMU to describe when a director must disclose an interest and what an interested director may do, in accordance with the requirements in the Companies Act.
5. SOEs may enter into any contract or arrangement with a related party only in accordance with the policy approved by the Board but where the majority of directors are interested, the matter must be put before a general meeting, or in the case of non-company SOEs, submitted to the Federal Government for approval.
6. The related party transaction policy approved by the Board must be subject to the minimum requirements contained in the Security and Exchange Commission of Pakistan Companies Act (Related Party Transactions and Maintenance of Related Records) 2018. Details of all related party transactions must be placed before the audit committee and, upon recommendation of the audit committee, the SOE Board.
7. Declaration by directors and managers
 - a. Every SOE director, independent and non-independent, and managers, shall upon appointment sign a declaration that they
 - i. Have received a copy of the approved policy on conflicts of interest and related party transactions.
 - ii. Have read and understand the Policy,
 - iii. Shall not offer or accept any payment, bribe, favor, or inducement which might influence, or appear to influence, their decisions and actions, and
 - iv. Shall abide by the SOE's policies on conflict of interest and related party transactions, and
 - v. Shall abide by the SOE's code of conduct.
8. Further guidelines will be issued by the CMU.



No. 1(11) CMU/2024/35

Government of Pakistan

Finance Division

Central Monitoring Unit

15-8-2024

TO: All Line Ministries & Federal SOES

Subject: CMU Guidelines for C Level Appointments(CEO, CFO, CIA, CS) in Federal State owned Enterprises

Pursuant to sub-section 3 (ii) of Section 4 of the State-Owned Enterprises (Governance and Operations) Act, 2023, and in alignment with Paragraph 26 of the State-Owned Enterprises (Ownership and Management) Policy, 2023, we are issuing the enclosed "State-Owned Enterprises (C-Level Appointments) Guidelines 2024" for your immediate attention and implementation. These Guidelines, which apply to the appointments of Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Internal Auditor (CIA), and Company Secretary (CS), are designed to enhance the governance, transparency, and operational efficiency of State-Owned Enterprises (SOEs). Your adherence to these guidelines is crucial for achieving the strategic objectives set forth under the Act and the Policy.



Majid Soofi CPA(US), CA(ANZ)

Director General SOE Triage

Central Monitoring Unit

Finance Division



CENTRAL MONITORING UNIT, FINANCE DIVISION

STATE-OWNED ENTERPRISES (C-LEVEL APPOINTMENTS) GUIDELINES 2024

The following Guidelines are being issued, in pursuance of sub-section 3 (ii) of Section 4 of the State-Owned Enterprises (Governance and Operations) Act, 2023 (the Act) read with Paragraph 26 of the State-Owned Enterprises (Ownership and Management) Policy, 2023 (the Policy):

1. Short title, application and commencement

- i. These guidelines shall be called the State-Owned Enterprises (C-Level Appointments) Guidelines 2024" and shall apply to appointments of Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Internal Auditor (CIA) and the Company Secretary (CS) by whatever name called.
- ii. These guidelines shall apply to all the public sector companies as defined in the Act as well as on the statutory SOEs. However, if required, the Boards of statutory SOEs may make necessary adjustments in accordance with their statutory requirements. All SOEs shall concurrently comply with the applicable laws/rules/regulations as per sectoral regulatory requirements, particularly related to the fitness and propriety, provided those laws and regulations are not inconsistent with the Act.
- iii. These Guidelines shall come into force immediately and shall apply on any appointments made after this date.

2. Procedure for Appointment to C-Level Positions

- i. The appointment of CEO shall be made in accordance with Section 18 and 22(2) of the Act.
- ii. The minimum educational qualification and experience for appointments as CEO, CFO, CIA and CS are given in Schedule-I of these Guidelines. The Board of the SOE may adopt higher educational qualifications and/or experience threshold keeping in view the requirements of the position.
- iii. The appointment process should be initiated well in advance, preferably three months before the term of the incumbent is due to expire.



Step 1: Job Description

- i. The Board shall develop a Job Description for each of the C-Level positions in the light of the job requirements; fit and proper criteria specified in Section 16 and Schedule-IV of the SOEs Act, 2023; delegations and accountabilities of the role; and any other dimensions that the Board may deem appropriate.

Step 2: Advertisement for the Position

- i. The vacancy shall be advertised through publication in the print media as well as on the website of the SOE. The advertisement shall clearly specify, inter-alia, the minimum qualifications, experience, age limit (if any), requirements of fit and proper criteria and the roles and responsibilities of the position.
- ii. The applicants shall be required to provide copies of the degrees/ diplomas/ testimonials, and other documentation supporting the application.
- iii. The deadline for applications will not be less than 14 calendar days.
- iv. Notwithstanding the foregoing, the Board may outsource the process of inviting applications to a head-hunting firm requiring it to recommend a short list of candidates.

Step 3: The Board Committee

- i. The appointment process of the C-Level positions, except the CIA, shall be supervised by the Human Resource Committee of the Board, or a Special Committee constituted for the purpose by the Board (the Committee).
- ii. In the case of the post of CIA, the process will be supervised by the Audit Committee of the Board.

Step 4: Shortlisting Process

The Committee shall consider the candidates received from the following sources and prepare a shortlist by applying pre-defined objective criteria:

- i. Those applying in response to the advertisement
- ii. Those identified through the SOEs succession plan and/ or
- iii. Those recommended by a headhunting firm appointed for the purpose



Step 5: Evaluation of Candidates

- i. The Committee shall further evaluate the shortlisted candidates on the basis of job requirements for the position.
- ii. The Committee shall keep in view, the Fit and Proper Criteria given in Schedule IV of the SOE Act, 2023.
- iii. The Committee shall conduct interviews of the shortlisted candidates and assign scores to each candidate.
- iv. The total score assigned to a candidate will consist of:
 - a) The score assigned on the basis of evaluation at the shortlisting stage.
 - b) The score assigned by the committee on the basis of the interviews.

Step 6: Recommendation from the Committee to the Board

- i. The Committee shall recommend a minimum of three candidates to the Board for appointment to any C-Level position, in the case of a Public Sector Company.
- ii. In case of statutory SOE, the Committee shall submit its recommendations to the Board for its decision to appoint or to make further recommendation to the competent authority, as the case may be, under the relevant statute.
- iii. The candidates shall be recommended to the Board in order of preference based on the results of the Committee's interview and evaluation.
- iv. Copy of the minutes of the meeting of the Committee recommending the shortlisted candidates shall be submitted to the Board together with the Committee's recommendations.
- v. The Board may, if it deems appropriate, conduct final interview of the shortlisted candidates before taking a final decision.
- vi. The Board may appoint any of the candidates recommended by the Committee based on its own evaluation of candidates' credentials.
- vii. In case the Board does not concur to the appointment of any of the proposed candidates, it shall inform the Committee of the reasons for non-concurrence and refer the matter back to the Committee with directions to identify additional/ alternate candidates.



Step 7: Declaration Regarding Conflict of Interest & Verification of Degrees

- i. The selected applicant shall be required to submit a declaration on a non-judicial stamp-paper of requisite value as per Schedule-II of these Guidelines that he is not ineligible for appointment to the relevant position in accordance with the requirements of fitness and propriety and the relevant provisions of the Schedule IV of the SOEs Act and Companies Act, 2017.
- ii. The degree/ educational certificates of the selected candidate will be verified through Higher Education Commission or the relevant Professional Body or Association, within 90 days of his appointment and the outcome will be reported to the Human Resources Committee at the end of 90 days.



Schedule-I

2. **The Minimum Qualification and Experience** required for the key positions shall be as under.

The Chief Executive Officer:

- a) Must possess a graduate degree in business administration; public administration; finance; commerce or marketing or equivalent from a well-reputed institute duly recognized by HEC or such other professional qualification relating to the principal line of business of the SOE as may be specified by the SOE.

Or

Be a member of a recognized body of professional accountants,

- b) The candidate must possess demonstrated experience of not less than ten years:

- i. In governance or business administration or finance or commerce or marketing or any other field relevant to the job in well-known organizations with commercial orientation,

Or

- ii. As Chief Executive or at a senior management level in similar organizations that have commercial attributes,

Or

- iii. At the level of member of governing body of a professional institute or as a head of department.

3. **The Candidate for CFO must be:**

- a) a member of an organized body of professional accountants with at least five years relevant experience, in case of SOEs having total assets of five billion rupees or more; or
- b) holding a master's degree in finance related disciplines from a university recognized by the HEC with at least ten years relevant experience, in case of other SOEs.

4. **For the position of CIA, the candidate must be:**

- a) a member of a recognized body of professional accountants having qualification of CA/CPA/ACMA/ACCA/ MBA (Finance) from reputed local or international University/Institute with at least five years



relevant experience, in auditing and risk management, designing of internal control procedures, effective compliance of financial reliability in public/private sector with understanding of governance, risks and risks controls especially in SOEs or public sector projects.

5. For the position of CS, the candidate must be:
- a) a member of a recognized body of professional accountants; or
 - b) a member of a recognized body of corporate or chartered secretaries; or
 - c) a person holding a masters degree in business or finance or commerce or law from a university recognized by the Higher Education Commission with at least five years relevant experience.



Schedule-II

DECLARATION TO ACCOMPANY THE APPLICATION FORM FOR THE POST OF CHIEF EXECUTIVE OF PUBLIC SECTOR COMPANY

i. I..... Son/daughter of....., holder of CNIC No.....

hereby declare that I am not ineligible to act as a in terms of Fit and Proper Criteria under the SOEs Act.

ii. I further declare that I am not suffering from any present or perceived conflict of interests which would interfere with the exercise of independent judgment when acting in the capacity of of the company or would be disadvantageous to the interests of the SOE.

Signature: _____

Full Name (in Block Letters),

Designation, NIC Number, and Full Address

Date...

Place.....

Witness to the signature:

Signature: _____

Full Name, Father's Husband's

Name (in Block Letters) NIC Number, Occupation Full Address

Note: To be made on stamp paper of requisite amount duly verified by Oath Commissioner



FINANCIAL

PROPOSAL



Section-VII
Bid Form / Schedule of Requirements

Tender Enquiry #
Bill of Quantity

S No. (A)	Title of Position (B)	Grade (C)	No of Positions (D)	Unit Service Charges per Position (PKR) (E)	Total Cost (PKR) F = (D x E)
1	Deputy Managing Director (Corporate Service)	X	01		
2	Chief Financial Officer	IX	01		
3	Chief Internal Auditor	IX	01		
4	Senior General Managers	IX	05		
5	General Managers	VIII	06		
Total Cost					

Note:

- 1) Bidders are required to quote fixed service charges against each position. The Bids will be evaluated based on complete package basis against Quality & Cost (60:40) Methodology
- 2) The payment of fee to the HR Consultant / Head hunting firm will be subject to deduction of all applicable taxes and duties as per prevailing applicable tax laws rules and regulation.
- 3) Bidder essentially required to quote their rates on the bid form / Bill of Quantity / Schedule of Requirement elsewhere shall not be entertained.
- 4) The quoted services charges shall be inclusive of all duties and taxes excluding Sales Tax as per provincial laws.
- 5) Titles of the positions at Serial 4 & 5 shall be shared after issuing of LOI to Successful Bidder


SYED JAMSHEED RAZA
 Acting Chief Manager
 Human Resource Department



Signature of Bidder: _____

Name (Signed by): _____

Name of Bidder: _____

Stamp: _____

Date: _____

Report Run by : DESKTOP-D30VR27
Enquiry No. SSGC/SC/14243

TENDER ENQUIRY NO. SSGC/SC/14243

SECTION-VII

SCHEDULE OF REQUIREMENT
AND
BID FORM

Sr. NO.	DESCRIPTION OF ITEMS / PART NOS. (1)	QUANTITY (3)	UOM (4)	TOTAL AMOUNT
1	<u>SELECTION OF HR CONSULTING / HEAD HUNTING FIRMS FOR HIRING OF SENIOR MANAGEMENT / LEADERSHIP POSITIONS (AS PER SCR / BOQ)</u> [1] SC011992 <u>Delivery Schedule:</u>	1.00	Job	

Fix Bid Bond Amount in PKR: 1,000,000

NOTE :

- (i) The quoted unit price and corresponding total amount shall be inclusive of all duties & Taxes, excluding Sales Tax as per provincial laws.
- (ii) Incase of supply of material alongwith services GST will be exclusive of quoted rate of material.
- (iii) Bidders are essentially required for quote their rates on bid form / BoQ.
- (iv) Prices given in the bid form and BOQ shall take into account all relevant factors including discounts, if any. Discount given separately at the time of bid opening will not be considered.
- (v) Any Bidder who change/amend the BOQ or Price Schedule (description, quantity, uom etc.) will be render the bid as conditional bid and will be liable for rejection.

SIGNATURE OF BIDDER: _____
NAME.....: _____
NAME OF BIDDER.....: _____
STAMP.....: _____
DATE.....: _____



Specimen-VII

(On Stamp Paper @ Rs.100 for first Rs.100, 000 and Rs.50 per subsequent Rs.100, 000 of Guarantee Value)

BID BOND FORMAT

Sui Southern Gas Company Limited,
ST-4/B, Sir Shah Muhammad Suleman Road,
Block 14, Gulshan-e-Iqbal,
Karachi.

Tender Enquiry No SSGC / SC /

Dear Sirs,

In consideration of Messrs _____ hereinafter called "The Bidder" having submitted the accompanying bid and in consideration of value received from _____ we hereby agree to undertake as follows:

1. To make un-conditional payment of Rupees _____ upon your return demand without further recourse, question or reference to the Bidder or any other person, in the event of the with drawl of the aforesaid Bid by the Bidder before the end of the period specified in the Bid after the opening of the same for the validity thereof, or if no such period to be specified within 120 days after said opening and or in the event that the Bidder within the period specified thereof, or if no period be specified with 15 days after prescribed forms are presented to the Bidder of signature the Bidder shall fail to execute such further contractual documents if any as may be required by the Company, or on the Bidders' failure to give the requisite Performance Bond as may be required for the fulfillment or resulting Contract with 10 days of the acceptance of the Bid.
2. To accept written intimation(s) from you as sufficient evidence of the existence of default or non compliance as aforesaid on the part of the Bidder and to make payment immediately upon receipt of the written intimation.
3. No grant of time or other indulgence to, or composition, or arrangement with the Bidder in respect of the aforesaid Bid with or without notice to us shall in any manner discharge or otherwise, however, affect this guarantee and our liabilities and commitments hereunder.
4. The guarantee shall be binding on us and our successors in interest and shall be irrevocable.
5. This guarantee shall remain valid upto _____.

Yours faithfully,

Note: Any extensions / amendments (in all guarantees/bonds) if required shall be made on stamp papers of Rs.50



(On Stamp Paper @ Rs.100 for first Rs.100, 000 and Rs.50 per subsequent Rs.100, 000 of Guarantee Value)

PERFORMANCE BOND FORMAT

Sui Southern Gas Company Limited,
ST-4/B, Sir Shah Muhammad Suleman Road,
Block 14, Gulshan-e-Iqbal,
Karachi.

Bank Guarantee #
Date of Issue :
Date of Expiry :
Amount :

Tender Enquiry No SSGC / SC /

Dear Sirs,

In consideration of your entering/having entered into Contract No. _____ with M/s. _____ hereinafter called "The Contractor" and in consideration of value received from the Contractor, we hereby agree and undertake as follows:-

1. To make un-conditional payment of Rupees _____ and un-conditional payment in such amount as you may require from time to time as and when called upon by you to do so, not exceeding in the aggregate payment of Rupees _____, being the amount covering liquidated damages and security for the due fulfillment by the Contractor of all liabilities, obligations, commitments and total and faithful performance of the above Contract by the Contractor as specified in the above mentioned Contract upon your written demand(s) without further recourse, question or reference to the Contractor or any other person in the event of the Contractor's default in compliance with its obligations, liabilities and faithful performance arising under and in pursuance of the Work committed by it in the above mentioned agreement of which you shall be the sole judge.
2. To accept written intimation(s) from you as sufficient evidence of the existence of default or non compliance as aforesaid on the part of the Contractor and to make payment immediately upon receipt of the written intimation.
3. To keep this guarantee in full force from the date of this guarantee till the Contractor's obligations as specified in the above referred Contract and all other obligations of the Contractor as are contained in the above contract are duly fulfilled by the Contractor to the satisfaction of the Company.
4. No grant of time or other indulgence to, or composition, or arrangement with the Contractor in respect of the performance of its obligations under and in pursuance of the said agreement or any clause thereof, with or without notice to us shall in any manner discharge or otherwise howsoever effect this guarantee and our liabilities and commitment there under.
5. The guarantee shall be binding on us and our successors in interest and shall be irrevocable.
6. This guarantee shall not be affected by any change in the constitution of the guarantor bank or the constitution of _____.
6. This guarantee shall remain valid upto _____.



DECLARATION FORM

(FORMAT OF DECLARATION)

M/s. _____ [the Seller/Supplier] hereby declares its intention not to obtain or induce the procurement of any contract, right, interest, privilege or other obligation or benefit from Sui Southern Gas Company Limited or any administrative subdivision or agency thereof or any other entity owned or controlled by Sui Southern Gas Company Limited (SSGCL) through any corrupt business practice.

Without limiting the generality of the foregoing, [the Seller/Supplier] represents and warrants that it has fully declared the brokerage, commission, fees, etc., paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from SSGCL, except that which has been expressly declared pursuant hereto.

[The Seller/Supplier] certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with SSGCL and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

[The Seller/Supplier] accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other rights and remedies available to SSGCL under any law, contract or other instrument, be voidable at the option of SSGCL.

Notwithstanding any rights and remedies exercised by SSGCL in this regard, [the Seller/Supplier] agrees to indemnify SSGCL for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to SSGCL in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by [the Seller/Supplier] as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form of SSGCL.

SIGNATURE & STAMP

NOTE

1. The above declaration is to be furnished along with the bid on letter head, for bid(s) amounting to total bid value of Rs. 10,000,000/- (Ten million) or above.
2. Please note that submitting the declaration is a mandatory requirement.



CONTRACT FORM

Contract No. SSGC/SC/

ARTICLES OF AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2018 by and between Sui Southern Gas Company Limited, having its office at ST-4/B, Sir Shah Muhammad Suleman Road, Block 14, Gulshan-e-Iqbal, Karachi, hereinafter referred to as the "Company" of the one part and M/s. _____ hereinafter referred to as the "Contractor", (which expression shall include the successors, of the said firm, heirs, executives, administrators and assigns of the Partners of the said firm individually or severally) of the other part.

WITNESSETH:

WHEREAS, under the procedures, bids have heretofore been received by the Company for carrying out "_____ work and the tender of the Contractor for the said work has been accepted by the Company.

NOW THEREFORE, for and in consideration of the promises, negotiations, covenants and agreements hereunder contained and to be performed by the parties hereto, the said parties hereby covenant and agree as follows:-

Article-1 Work and Cost of the Work:

- i) In consideration of the covenants and agreements to be kept and performed by the contractor and for the faithful performance of this Contract and the completion of the work embraced therein according to the specifications and conditions herein contained and referred to or agreed to in course of subsequent negotiations and in accordance with the Contract, the Company shall pay and the Contractor shall receive and accept as full compensation for everything furnish and done by the contractor under this agreement as sum of approximately **Rs. _____** (_____), or such other sums as may be ascertained in accordance with the conditions of Contract, etc. and at rates quoted against each item of work and agreed to and accepted by the parties as one instrument, and at the times and in the manner prescribed by the conditions of the Contract.
- ii) The Contractor at his own proper cost and expense shall do all work and furnish all labour, materials, tools, supplies, machinery and other equipment and plant that may be necessary for the satisfactory completion of all the works as set forth in the contract documents.

Article-2 - Time:

The maintenance of a rate of progress in the works at a rate which will result in its completion within the specified time, is of the essence of the contract and the Contractor agrees to proceed with all the due diligence and care at all times to take all precautions to ensure the timely completion as defined herein; time being deemed to be essence of the Contract of part of the Contractor.

The said work shall be started on the Contractor's receipt from the Company of a written order to proceed, and the Contractor shall have the work called for duly and fully complete in total _____ months (including _____ (____) weeks mobilization period) from the date of issuance of such order.

Article-3 - Contract Documents:

It is understood and agreed that the contract documents which comprise this Contract are attached hereto and made a part hereof and consist of the following :-

- a) The Article of Agreement.



- b) Bid ((submitted vide letter No. _____, dated _____ comprising Letter of Invitation, Instructions to bidders, Scope of Work, Special and General Conditions of Contract, Tender Form, Bill of Quantities, Drawings, etc.).
- c) Company letter No. _____, dated _____,
Contractor letter No. _____, dated _____.
- d) Notice of Award (Letter of Intent (LOI) No.SSGC/MAT/S&C/_____, dated _____.
- e) Acceptance by the Contractor on the copy of LOI.
- f) Letter to Proceed No.SSGC/PROC/S&C/_____, dated _____.
- g) Performance Bank Guarantee No. _____, dated _____, amounting to Rs. _____ issued by M/s. _____.

It is agreed by the parties to the contract that this contract shall be executed in two counterparts; one copy to be retained in the office of the Sui Southern Gas Company Limited and one given to the Contractor.

IN WITNESS WHEREOF the parties hereto have executed this Contract at Karachi in two counterparts by their duly authorized representatives as of the day and year herein above set forth.

Signed for and on behalf of
M/s. Sui Southern Gas Company Limited

Signed for and on behalf of
M/s. _____ Karachi

Signature : _____

Signature : _____

Name : _____

Name : _____

In the presence of:

Signature : _____

Signature : _____

Name : _____

Name : _____

Signature : _____

Name : _____



Supplier code: _____

FORM-X

Bank account details form for all Beneficiaries

(Mandatory requirement for Digital Online Banking)

As per FBR Regulations ref # C.No.4 (24) IT-Budget/2021-142150-R dated 23rd Sept'2021 to make the payment online w.e.f. 01-11-2021. All beneficiaries are required to fill in the below details, which is mandatory:

Name of Firm: _____

Address of Firm: _____

CNIC #: _____

NTN #: _____

Bank Name: _____

Bank A/C Title name: _____

Branch code: _____

Bank A/c #: _____

(16 Digits)

Bank IBAN #: _____

(24 Digits)

Information already submitted.

Note: Please be attached copy of Cheque / Account Maintenance Certificate.(Mandatory)



Authorized Sign & Stamp

Date: _____

Note: All payments transactions will be made on above mentioned Account details. This is only a one time information to be provided by the all beneficiaries. Incase if the above detail has already submitted, please tick the box above "Information already submitted" and also ensure Form-X is duly signed & stamped.

ANNEXURE: I

Declaration of Ultimate Beneficial Owners Information for Public Procurement Contracts.

1. Name
2. Father's Name/Spouse's Name
3. CNIC / NICOP/Passport No.
4. Nationality
5. Residential address
6. Email address
7. Date on which shareholding, control or interest acquired in the business.
8. In case of indirect shareholding, control or interest being exercised through intermediary companies, entities or other legal persons or legal arrangements in the chain of ownership or control, following additional particulars to be provided:

1	2	3	4	5	6	7	8	9	10
Name	Legal form (Company/Limited Liability Partnership /Association of Persons/Single Member Company/Partnership Firm/Trusted/Any other Individual, Body Corporate (to be Specified)	Date of Incorporation / Registration	Name of Registering Authority	Business Address	Country	Email Address	Percentage of shareholding control or interest of BO in the Legal Person or Legal Arrangement	Percentage of shareholding, Control or Interest of Legal Person or Legal Arrangement in the Company	Identity of Natural Person who Ultimately owns or Controls the Legal Person or Arrangement

9. Information about the Board of Directors (details shall be provided regarding number of shares in the capital of the company as set opposite respective names).



1	2	3	4	5	6	7	8
Name and surname (in block Letter's)	CNIC no (in case of foreigner Passport No)	Father's / Husband's Name in Full	Current Nationality	Any other Nationality lies)	Occupation	Residentially address in full of the registered / principle office address for a subscribers other than natural Person	Numbers of shares taken by cash subscribers (in figures and words)
			Total numbers of shares taken (in figures and words)				

10. Any other information incidental to or relevant to beneficial owner(s).

Name and signature
(Person authorized to issue notice on behalf of the company)



Form of Bid-Securing Declaration

[The Bidder shall fill in this Form in accordance with the instructions indicated.]

Date: [date (as day, month and year)]

No.: [number of Bidding process]

Alternative No.: [insert identification No if this is a Bid for an alternative]

To: [complete name of Procuring Agency]

We, the undersigned, declare that

We understand that, according to your conditions, Bids must be supported by a Bid-Securing Declaration.

We accept that we will be blacklisted and henceforth cross debarred for participating in respective category of public procurement proceedings for a period of (not more than) six months, if fail to abide with a bid securing declaration, however without indulging in corrupt and fraudulent practices, if we are in breach of our obligation(s) under the Bid conditions, because we:

- (a) have withdrawn our Bid during the period of Bid validity specified in the Letter of Bid; or
- (b) having been notified of the acceptance of our Bid by the Procuring Agency during the period of Bid validity; (i) fail or refuse to sign the Contract; or (ii) fail or refuse to furnish the Performance Security (or guarantee), if required, in accordance with the ITB.

We understand this Bid Securing Declaration shall expire if we are not the successful Bidder, upon the earlier of (i) our receipt of your notification to us of the name of the successful Bidder; or (ii) twenty-eight days after the expiration of our Bid.

Name of the Bidder: _____

Name of the person duly authorized to sign the Bid on behalf of the Bidder: _____

Title of the person signing the Bid: _____

Signature of the person named above: _____

Date signed: _____ day of _____

* In the case of the Bid submitted by joint venture specify the name of the Joint Venture as Bidder

** Person signing the Bid shall have the power of attorney given by the Bidder attached to the Bid

[Note: In case of a Joint Venture, the Bid-Securing Declaration must be in the name of all members to the Joint Venture that submits the Bid.]



SUI SOUTHERN GAS COMPANY LIMITED

UNDERTAKING OF COMPLIANCE WITH INTEGRATED MANAGEMENT SYSTEM (IMS) MANUAL AND BLACKLISTING MECHANISM

I, _____ [Supplier's Authorized Representative Full Name], of _____ [Supplier Company Name], with principal _____ office _____ located _____ at _____ [Full Address], do hereby solemnly affirm and declare as follows:

1. That I am the duly authorized representative of _____ [Supplier Company Name], and have the legal authority to make this declaration on behalf of the company.
2. That I confirm having accessed, read, and fully understood the **Integrated Management System (IMS) Manual** provided by **Sui Southern Gas Company Limited (SSGC)**, available at the official website:
<https://www.ssgc.com.pk/web/wp-content/uploads/2025/06/IMS-Manual-1-1.pdf>
3. That _____ [Supplier Company Name] agrees to comply fully with all the policies, procedures, and responsibilities outlined in the IMS Manual, and will ensure that all relevant employees, contractors, and agents are made aware of and comply with the same.
4. That _____ [Supplier Company Name] acknowledges that failure to comply with the IMS Manual may result in corrective action, including but not limited to financial penalties as per SSGC policy and suspension or termination of business with Sui Southern Gas Company Limited (SSGC).
5. That the bidder has also read, understood, and accepted the **Blacklisting Mechanism of Sui Southern Gas Company Limited (SSGC)**, available at:
https://www.ssgc.com.pk/web/wp-content/uploads/2024/09/blacklisting_mechanism_2024.pdf
6. Any type of violation of the tender terms and non-performance will result in the enforcement of the Blacklisting Mechanism, which will be dealt with in accordance with the Blacklisting Rules/Mechanism.
7. This affidavit is made in good faith and for the purpose of affirming our commitment to health, safety, environmental standards, and compliance with the **Integrated Management System (IMS) Manual** and the **Blacklisting Mechanism** of Sui Southern Gas Company Limited (SSGC), as well as all other applicable policies and procedures of SSGC.

Signed at _____ [City] on this _____ day of _____, 20 .

Signature: _____
Name: _____
Designation: _____
Company Name: _____
Contact Details: _____

(Company Stamp / Seal Mandatory)

Witnessed by:

Signature of Witness: _____
Name of Witness: _____
Date: _____

Signature of Witness: _____
Name of Witness: _____
Date: _____



SSTW-05

Ref No _____

Dated _____

M/s _____

SNTN _____

Address _____

NOTICE UNDER RULE 3(1) OF THE SINDH SALES TAX SPECIAL PROCEDURE (WITHHOLDING) RULES, 2011.

Dear Sir,

Kindly note that we are a withholding agent under the Sindh Sales Tax Special Procedure (Withholding) Rules, 2011, and that we shall withhold and deduct the prescribed amounts of Sindh sales tax against your tax invoices in relation to the services provided or rendered by you to us. We hold NTN/FTN

2. We undertake to deposit the withheld/deducted amounts of Sindh sales tax in the Sindh Government's head of account "B-02384" against a SRB-prescribed PSID/Challan (SST-04 or SSTW-04) in the manner prescribed under the aforesaid Sindh Sales Tax Special Procedure (Withholding) Rules, 2011, and we shall provide you a certificate of deduction-cum-deposit in terms of rule 3(9) thereof.

Signature _____

Name _____

CNIC _____

Designation _____

Date _____

Official seal _____





**Sui Southern Gas
Company Limited**

Procurement Department

Standard Advisory to all Bidders

SUB: Sindh Sales Tax Withholding On Services Payment

(Effective from 1 July 2024)

Dear Sir,

Background

Please be informed that:

1. Uptil February 2024, SSGC deducted 20% of Sindh Sales Tax amount from Invoice value payable to a Vendor for services rendered in Sindh & deposit the same with Sindh Revenue Board, while remaining 80% is deposited by the Vendor themselves.
2. From March 2024 – June 2024, SSGC deducted 80% of Sindh Sales Tax amount from Invoice value payable to a Vendor for services rendered in Sindh & deposit the same with Sindh Revenue Board, while remaining 20% is deposited by the Vendor themselves

Amendment in Law

Sindh Revenue Board (SRB) has amended Withholding Rules thereby requiring SSGC to deduct 20% of sales tax amount from Invoice Value.

Revised Procedure for Sindh Sales Tax Withholding

In order to ensure implementation of above amendment, following process is being implemented 01. July 2024:

- 1) 80% Sales Tax to continue to be withheld on "Past" invoices only (where Vendor has already deposited 20% Sales Tax in Government treasury provides evidence thereof).
- 2) 20% Sales Tax will be deducted on Current and future invoices (while 80% will be deposited by vendor directly with SRB)

It is needless to mention that only Sindh Withholding Rules have been amended while there is no change in other Rules (Income tax withholding Balochistan Sales Tax withholding; etc.)





سوی سدرن گیس کمپنی لمیٹڈ
پروکیورمنٹ ٹیپارٹمنٹ

تمام ٹھیکیداروں کے لئے معیاری ایٹوائزری

خدمات کی ادائیگی پر سندھ سیزل ٹیکس
(۱ جولائی ۲۰۲۲ سے نافذ العمل)

یس، منظر

مطلع کیا جائے کہ:

1. فروری 2024 تک، SSGC نے سندھ میں فراہم کی جانے والی خدمات کے لیے وینڈرز کی انوائس ویلیو سے سندھ سیزل ٹیکس کی رقم کا 20% کاٹ لیا ہے اور اسے سندھ ریونیو بورڈ کے پاس جمع کرایا ہے، جبکہ وینڈرز بقیہ 80% خود جمع کراتے ہیں۔

2. مارچ 2024 سے جون 2024 تک، SSGC نے سندھ میں فراہم کی جانے والی خدمات کے لیے وینڈرز کی انوائس ویلیو سے سندھ سیزل ٹیکس کی رقم کا 80% کاٹ لیا ہے اور اسے سندھ ریونیو بورڈ کے پاس جمع کرایا ہے، جبکہ بقیہ 20% وینڈرز خود جمع کراتے ہیں۔

قانون میں ترمیم

سندھ ریونیو بورڈ (SRB) نے ود ہولڈنگ رولز میں ترمیم کی ہے جس کے تحت SSGC کو انوائس ویلیو سے سیزل ٹیکس کی رقم کا 20% کٹوتی کرنا ہوگی۔

سندھ سیزل ٹیکس ود ہولڈنگ کا نظرثانی شدہ طریقہ کار

مندرجہ بالا ترمیم کے نفاذ کو یقینی بنانے کے لیے، 01 جولائی 2024 سے درج ذیل عمل کو نافذ کیا جا رہا ہے:

(1) 80% سیزل ٹیکس صرف 'ماضی' انوائسز پر کٹوتی جاری رہے گی (جہاں وینڈر نے پہلے ہی سرکاری خزانے میں 20% سیزل ٹیکس جمع کرایا ہے اس کا ثبوت فراہم کرتا ہے)۔

(2) 20% سیزل ٹیکس موجودہ اور مستقبل کے انوائسز پر کاٹا جائے گا (جبکہ 80% وینڈر براہ راست SRB کے ساتھ جمع کرائے گا)

یہ واضح رہے کہ صرف سندھ ود ہولڈنگ رولز وائٹ میں ترمیم کی گئی ہے دیگر رولز (انکم ٹیکس ود ہولڈنگ بلوچستان سیزل ٹیکس ود ہولڈنگ وغیرہ) میں کوئی تبدیلی نہیں کی گئی ہے۔

