



**REQUEST FOR PROPOSAL
FOR**

**DESIGN & CONSTRUCTION OF OVERHEAD WATER
TANK (25000 GALLONS)**

ON EPC/TURNKEY BASIS

**KHWAJA FAREED UNIVERSITY OF ENGINEERING &
INFORMATION TECHNOLOGY, RAHIM YAR KHAN**

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INVITATION FOR BIDS

INVITATION FOR BIDS

2. Khwaja Fareed University of Engineering & Information Technology (Hereinafter called as “Employer”) invites sealed bids (Technical and Financial bids) from eligible firms/contractor or consortium of firms/contractors, licensed by the Pakistan Engineering Council in the appropriate category for Design & Construction of Overhead Water Tank, as EPC/ turnkey project, on Quality Cost based Selection (QCBS) method, with Single Stage Two Envelop procedure of open competitive bidding. Services shall include but not limited to survey, design, planning, and construction of project. A foreign Bidder is entitled to bid only in a joint venture with a Pakistani constructor in accordance with the provisions of PEC bye-laws.
3. Bidders may obtain further information from, inspect at and acquire the Bidding Documents from the Project Office of the Employer (KFUEIT), at Project Office.
4. A complete set of Bidding Documents may be purchased by an interested Bidder on submission of a written application to the above office and upon payment of a non-refundable fee of Rs. 1,000/-.A copy of pre-qualification document is available for information and can be downloaded from the website www.kfueit.edu.pk or www.ppra.punjab.gov.pk.
5. All bids (Technical) must be accompanied by a Bid Security amounting to 2% of estimated cost in the form of deposit at call in the form of pay order of equal amount in favor of KFUEIT,RYK and must be delivered to Project Office, KFUEIT, at 1500 hours or before, on 15-02-2018. Bids will be opened at 1530 hours on the same day, in the presence of Bidders’ representatives who choose to attend at the same address.

PROJECT OFFICER

Khwaja Fareed University of Engineering & Information Technology, Rahim Yar Khan
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**INSTRUCTIONS
TO
BIDDERS & APPENDICES**

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INSTRUCTIONS TO BIDDERS AND APPENDICES

(A) GENERAL

IB.1 Scope of Bid and Source of Funds

1.1 Scope of Bid

Khwaja Fareed University of Engineering & Information Technology (Hereinafter called as “Employer, invites sealed bids (Technical and Financial bids) from eligible firms/contractor or consortium of firms/contractors, licensed by the Pakistan Engineering Council in the appropriate category for Design & Construction of Overhead Tank, as EPC/ turnkeyproject, on Quality Cost based Selection (QCBS) method, with Single Stage Two Envelop procedure of open competitive bidding. Scope of services shall include but not limited to survey, design, planning, and construction of overhead tank at project site. Accordingly, the Bidder has to prepare a preliminary design based on site collected data and design parameters given and then formulate his costs as per his working. Any additional information, geo-technical investigation, tests and surveys including hydraulic study or verification of documents provided shall be done by the bidder prior to bid submission. This detailed working on costs including preliminary design has to be enclosed with his tender to facilitate the evaluation process and bidder shall assume full responsibility for the soundness, correctness and safety of the design.

The Works to be executed under this Contract comprise Engineering, Procurement and Construction on EPC/Turnkey basis.

The scope of work to be executed includes but not limited to following:

- a) Detailed Engineering Design of Overhead Tank based on Employer's Requirements. Prior to this, the bidder has to review Employer's Requirement and concept. He has to subsequently prepare his own preliminary design after detail site studies, investigations and surveys. The bidder has to then base his bid on the basis of his own preliminary design which he has to develop into detailed design during execution stage.
- b) Getting design vetted from Consultant/Employer and making necessary correction if required before start of work.
- c) Construction and completion of project including maintenance and defect liability period as required.
- d) Design and Construction work items may include but not limited to following:
 - Engineering Design (Architectural, Structural, Plumbing, Electrical & Mechanical)
 - Other necessary works to meet the Employer's requirements.

A detailed scope of work has been described elsewhere in these documents. The successful Bidder will be expected to complete the Works within the stipulated period of 6 Months as specified in these Bidding Documents.

Bidders must quote prices for the complete scope of work. Any Bid covering partial scope of work will be non-responsive, pursuant to Clause IB.24.

1.2 Source of Funds

Government of Punjab.

IB.2 Eligible Bidders

2.1 Bidding is open to all firms and persons meeting the following requirements:

- a) Duly licensed by PEC in category C-3 & above of Pakistan Engineering Council. A foreign firm is entitled to bid only in a joint venture with a Pakistani contractor/firm in accordance with the relevant provision of PEC bye-laws. In case of joint venture with foreign firm, project specific certification of PEC is also required. If such joint venture could not submit the requisite PEC project specific certificate before the latest deadline for bid submission, such bidder(s) shall provide original cash receipt alongwith copy of application submitted to PEC for issuance of said license alongwith his Technical Bid. Evaluation of technical bids of such bidder(s) shall be done conditionally subject to provision of PEC Specific Project License. In case of non-submission of PEC Project Specific License prior to opening of financial bids, Employer may disqualify the respective bidder(s).
- b) Foreign bidders from eligible countries as per Appendix "A" to Instruction to Bidders.

IB.3 Eligible Goods and Services(NOT APPLICABLE)

- 3.1 All Goods & ancillary Services to be supplied under this Contract shall have their origin in eligible countries as per Appendix 'A' to Instructions to Bidders and all expenditures made under the Contract will be limited to such Goods and Services.
- 3.2 For purpose of this Clause, "origin" means the place where the Goods are mined, grown or produced or from where the ancillary services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembling of components, a commercially recognized product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 3.3 The origin of Goods and Services is distinct from the nationality of the Bidder.

IB.4 Cost of Bidding

- 4.1 The Bidder shall bear all costs associated with the preparation and submission of its Bid and the Employer will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Bidding process.

(B) BIDDING DOCUMENTS

IB.5 Contents of Bidding Documents

- 5.1 In addition to Invitation for Bids, the Bidding Documents are those stated below, and should be read in conjunction with any Addenda issued in accordance with Clause IB.7.
 1. Instructions to Bidders (ITB) with Appendices to ITB
 2. Letter of Technical Bid & Schedules to Bid

Schedules to Bid are the following:

 - (i) Schedule A: Specific Works data
 - (ii) Schedule B: Proposed Organization for the Project
 - (iii) Schedule C: Method of Performing Works
 - (iv) Schedule D: Proposed Programme of Works
 - (v) Schedule E: Work to be Performed by Subcontractors

- (vi) Schedule F: Deviations from Technical Provisions (such as conceptual/preliminary design and Employer’s requirements)& Contractual Provisions
 - (vii) Schedule G: Specific Operation/Plant and Equipment Details
 - (viii) Schedule H: Specimen JV Agreement (if Applicable)
 - (ix) Schedule I: Past Performance and Present Commitments
3. Letter of Price Bid & Schedules to Bid
Schedules to Bid are the following:
 - (i) Schedule J: Integrity Pact
 - (ii) Schedule K: Estimated Progress Payments
 - (iii) Schedule L: Lump Sum Cost Breakup for Major Cost Items
 4. Schedule of Prices
 5. Special Stipulations
 6. Preamble to Conditions of Contract
 7. General Conditions of Contract (GCC)
 8. Particular Conditions of Contract (PCC)
 9. The Employer’s Requirements including Scope of Work
 10. Standard Forms
Forms include the following:
 - (i) Form of Bid Security
 - (ii) Form of Contract Agreement
 - (iii) Form of Performance Security
 - (iv) Form of Bank Guarantee for Advance Payment
 - (v) Indemnity Bond for Secured Advance
 11. Specifications –including Special Provisions, Technical Provisions and Supplementary specifications. These provisions are not payable separately but its costs are deemed to be included in the overheads provision of total contract price quoted by the bidder.
 12. Drawings
- 5.2 The Bidders are expected to examine carefully the contents of all the above documents. Failure to comply with the requirements of Bid submission will be at the Bidders own risk. Pursuant to Clause IB.24, Bids which are not substantially responsive to the requirements of the Bidding Documents will be rejected.

IB.6 Clarification of Bidding Documents

- 6.1 A prospective Bidder requiring any clarification(s) in respect of the Bidding Documents may notify the Employer in writing or by fax at the address as provided under “Invitation of Bids”. Employer will examine the request for clarification of the Bidding Documents which it receives not later than two days before the Pre-Bid Meeting and if needed will issue the clarification/amendment of the Bidding Documents at least fourteen (14) days before the date of submission of Bids (without identifying the source of enquiry) to all prospective Bidders who have purchased the Bidding Documents. It is expected that bidders will thoroughly study the bidding documents and come up with all their points/non-clarities etc. maximum upto pre-bid meeting stage.

Employer’s Address: Project Officer

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IB.7 Amendment of Bidding Documents

- 7.1 At any time prior to the deadline for submission of bids, the Employer may, for any reason, whether at his own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding Documents by issuing addendum.
- 7.2 Any addendum thus issued shall be part of the Bidding Documents pursuant to Sub-Clause 7.1 hereof, and shall be communicated by uploading the same on its website as well as in writing to all purchasers of the Bidding Documents. Prospective Bidders shall acknowledge receipt of each addendum in writing to the Employer. The Bidder shall also confirm in the Form of Bid that the information contained in such addenda have been considered in preparing his Bid.
- 7.3 To afford prospective Bidders reasonable time in which to take an addendum into account in preparing their Bids, the Employer may at its discretion extend the deadline for submission of Bids in accordance with Clause IB.19.

(C) PREPARATION OF BIDS

IB.8 Language of Bid

- 8.1 The Bid prepared by the Bidder and all correspondence and documents relating to the Bid, exchanged by the Bidder and the Employer shall be written in the English language, provided that any printed literature furnished by the Bidder may be written in another language so long as accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the Bid, the English translation shall govern. The information/documents in non-English language without authentic translation and notarization shall not be considered for evaluation.

IB.9 Documents Comprising the Bid

- 9.1 The Bid prepared by the Bidder shall comprise the following components:
- (a) Covering Letter
 - (b) Letters of Bids duly filled, signed and sealed, in accordance with Clause IB.17.
 - (c) Schedules (A to L) to Bid duly filled and signed, in accordance with the instructions contained therein.
 - (d) Schedule of Prices completed in accordance with Clauses IB.11 and IB.12 in separate sealed envelope.
 - (e) Bid Security furnished in accordance with Clause IB.15.
 - (f) Power of Attorney in accordance with Clause IB 17.5 and IB 19.1
 - (g) Joint Venture Agreement (if applicable). A foreign Bidder is entitled to bid only in a joint venture with a Pakistani constructor in accordance with the provisions of relevant PEC bye-laws.
 - (h) An affidavit to the effect that the Bidder is eligible to Bid and is qualified to perform the Contract if its Bid is accepted, in accordance with Clause IB.13 (list of past performance and present commitments to be filled in as per schedule I to Bid).
 - (i) An affidavit to the effect that the Plant and ancillary Services to be supplied by the Bidder are eligible Plant and Services and conform to the Bidding Documents, in

accordance with Clause IB.14.

- (j) Bidders applying for eligibility for domestic preference in bid evaluation shall supply all information & evidence to establish the claim for domestic preference required to satisfy the criteria for eligibility as described in Clause IB.27. The particulars for domestic Goods prescribed in Appendix C to these Instructions shall also be filled in to substantiate claim for domestic preference.
- (k) Any other documents prescribed in Particular Conditions of Contract or Technical Provisions to be submitted with the Bid such as compliance with checklist attached with Invitation to Bid.
- (l) the Bidder are required to submit the tentative construction plan for both sectors and commencing work on all sectors(sub sectors) with independent resource management, campoffices, surveys and detail design work. The design team of Bidders needs to be particularly highlighted the deliverable for design works in each section to be assessed and dealt with accordingly.
- (m) The Bidders are required to submit methodology to be adopted for overall quality control by bidder with reference to specification and standard given in Employers requirement and work traffic management work safety plan.

IB.10 Letters of Bids and Schedules

- 10.1 The Bidder shall complete, sign and seal the Letters of Bids, Schedules (A to L, or as modified) to Bid and Schedule of Prices furnished in the Bidding Documents and shall also enclose other information as detailed in Clause IB.9.
- 10.2 **(NOT APPLICABLE)**For the purpose of granting a margin of domestic preference pursuant to Clause IB.27, the Employer will classify the Bids, when submitted in one of three groups as follows subject to change, if any, as per policy of the Federal Government as applicable on the date of bid opening:
 - (a) **(NOT APPLICABLE)Group ‘A’ Bid.** (i) For Goods for which labour, raw materials and components fromwithin Pakistan account for at least 20% of the ex-factory bid price of the products offered (ii) For Goods for which labour, raw materials and components from within Pakistan account for over 20% and up to 30% of the ex-factory bid price of the products offered (iii) For Goods for which labour, raw materials and components from within Pakistan account for over 30% of the ex-factory bid price of the products offered;
 - (b) **(NOT APPLICABLE)Group ‘B’ Bid.** For Goods manufactured in Pakistan for which the domestic valueadded in the manufacturing cost is less than 20% of the ex-factory bid price; and
 - (c) **(NOT APPLICABLE)Group ‘C’ Bid.** For Goods of foreign origin. In preparing their bids, the Bidders, whether local or foreign, shall enter in the Schedule of Prices, ex-factory price for indigenously manufactured products and CIF price as well as customs duty and sales tax and other import charges for products to be imported from outside Pakistan.

IB.11 Bid Prices

- 11.1 The Bidder shall fill up the Schedule of Prices attached to these documents under the Contract. Prices on the Schedule of Prices shall be entered keeping in view the instructions

contained in the Preamble to the Schedule of Prices.

- 11.2 The Bidder shall fill in rates, prices and amount for all items of the Works described in the Schedule of Prices. Items against which no rate or price is entered by a Bidder will not be paid for by the Employer when executed and shall be deemed covered by rates and prices for other items in the Schedule of Prices.
- 11.3 The Bidder's breakup of price components in accordance with Sub-Clause 11.1 above will be solely for the purpose of facilitating the comparison of Bids by the Employer and will not in any way limit its right to contract on any of the terms offered.
- 11.4 Unless otherwise stipulated in the Conditions of Contract, prices quoted by the Bidder shall remain fixed during the Bidder's performance of the Contract and not subject to variation on any account. When the Bidders are required to quote only fixed price(s), a Bid submitted with an adjustable price quotation will be treated as non-responsive, pursuant to Clause IB.24.
- 11.5 Any discount offered shall be valid for at least the period of validity of the Bid. A discount valid for lesser period shall be considered null and void.

IB.12 Currencies of Bid

- 12.1 Prices shall be quoted by Bidder entirely in Pak Rupees
- (a) **(NOT APPLICABLE)**For Plant/Goods and Services which the Bidder will supply from within Pakistan, the prices shall be quoted in the Pak. Rupees.
- (b) **(NOT APPLICABLE)**For Plant/Goods and Services which the Bidder will supply from outside Pakistan, the prices shall be quoted either in the U.S Dollars or in any other freely convertible currency.
- 12.2 **(NOT APPLICABLE)**Further, a Bidder expecting to incur a portion of its expenditure in the performance of the Contract in more than one currency (but use no more than 3 foreign currencies), and wishing to be paid accordingly, shall so indicate in its bid.
- 12.3The currencies of payment shall be PAK Rupees.

IB.13 Documents Establishing Bidder's Eligibility and Qualifications

- 13.1 Pursuant to Clause IB.9, the Bidder shall furnish, as part of its Bid, documents establishing the Bidder's eligibility to Bid and its qualifications to perform the Contract if its Bid is accepted.
- 13.2 The documentary evidence of the Bidder's eligibility to Bid shall establish to the Employer's satisfaction that the Bidder, at the time of submission of its Bid is from an eligible source country as defined under Clause IB.2.
- 13.3 The documentary evidence of the Bidder's qualifications to perform the Contract if its Bid is accepted, shall establish to the Employer's satisfaction that the Bidder has the financial and technical capability necessary to perform the Contract
- 13.4 (a) Bidder must possess and provide evidence of the following experience:
- i. has completed at least one (1) turnkey Contract with a minimum value of Rs.20Million during the last three years.
 - ii. has constructed at least one similar facility during the last three years of Rs. 20 million and above.

Certificate regarding award and completion of work be attached.

- iii. Only those Bidder are expected to participate who have ownership of the specific equipment/tools/machines specified in the Bidding Documents/NIT for satisfactory performance of any specialized job as required under the Contract.

Documentation regarding the Bidder's experience on previous similar contracts must accompany with each Bid.

Bidder shall also submit proof of their financial capability to undertake the Contract.

In the event that the successful Bidder is a joint venture formed of two or more companies, the Employer requires that the parties to the joint venture accept joint and several liabilities for all obligations under the Contract.

Bidders shall furnish documentary evidence of qualification on the Form "Evidence of Bidder's Capability" (Appendix B to these Instructions).

- (b) The Bidder should have an average annual turnover in the last three years equal to or more than Rs.30Million. Alternately, the Bidder should have successfully completed in the last Three (3) years any specific project having value equal to or higher than Rs. 30Million. Audit reports/financial report of last three years must be provided with the document. Line of credit should be project specific and valid for minimum one year from the date of bid opening.
- (c) Bidders shall possess and provide documents related to power of attorney, similar /specific experience alongwith award in completion certificate constitution of company /memorandum of association etc. describing detail of mother firms and all subseries as the case may be, financial data including financial statement and bank reference letter, current commitment of bidder. In case of foreign company, the authentication /notarization from respective embassy of Pakistan or their appropriate offices through Pakistan mission or from the foreign offices of applicants in the country of origin duly attested by embassy of Pakistan is necessary.
- (d) Design capacity of bidder to undertake the project i.e. experience of structure, public health, electrical Engineer.
- (e) Complete design team credentials alongwith construction/management team (like Project Manager, Construction Managers, Structure Engineer, Public Health Engineer, Electrical Engineer) must be attached.

13.5 Joint Venture

In order for a Joint Venture to qualify:

- (a) All of the partners of joint venture shall satisfy the relevant experience criteria specified in Sub-Clause 13.4(a) hereinabove.
- (b) All firms comprising the joint venture shall be legally constituted and shall meet the eligibility requirement of Sub-Clause 2.1 hereof.
- (c) All partners of the joint venture shall at all times and under all circumstances be liable jointly and severally to Employer for the execution of the entire Contract in accordance with the Contract terms and conditions and a statement to this effect shall be included in the authorization mentioned under para (f) below as well as in the Form of Bid and Form of Contract Agreement (in case of a successful Bidder).

- (d) The Form of Bid, and in the case of successful Bidder, the Form of Contract Agreement, shall be signed so as to be legally binding on all partners.
- (e) One of the joint venture partners shall be nominated as being in-charge and this authorization shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the joint venture partners.
- (f) The partner-in-charge shall be authorized to incur liabilities, receive payments and receive instructions for and on behalf of any or all partners of the joint venture.
- (g) A copy of the agreement entered into by the joint venture partners shall be submitted with the Bid stating the conditions under which it will function, its period of duration, the persons authorized to represent and obligate it and which persons will be directly responsible for due performance of the Contract and can give valid receipts on behalf of the joint venture, the proportionate participation of the several firms forming the joint venture, and any other information necessary to permit a full appraisal of its functioning. No amendments / modifications whatsoever in the joint venture agreement shall be agreed to between the joint venture partners without prior written consent of the Employer (Refer Schedule -H).

13.6 The Bidder shall propose, in order of his priority; plant, equipment or goods of not more than three (3) Manufacturers or equivalent. Employer at his own jurisdiction will evaluate the plant, equipment or goods of only one of such Manufacturers.

IB.14 Documents Establishing Plant's Eligibility and Conformity to Bidding Documents

- 14.1 Pursuant to Clause IB.9, the Bidder shall furnish, as part of its Bid, documents establishing the eligibility and conformity to the Bidding Documents of all Plant and Services which Bidder proposes to perform under the Contract.
- 14.2 **(NOT APPLICABLE)**The documentary evidence of the Plant and Services eligibility shall establish to the Employer's satisfaction that they will have their origin in an eligible source country as defined under Clause IB.3. A certificate of origin issued at the time of shipment will satisfy the requirements of the said Clause.
- 14.3 **(NOT APPLICABLE)**The documentary evidence of the Plant and Services' conformity to the Bidding Documents may be in the form of literature, drawings and data and shall furnish:
 - (a) **(NOT APPLICABLE)**A detailed description of the Plant, essential technical and performance characteristics.
 - (b) **(NOT APPLICABLE)**Complete set of technical information, description data, literature and drawings as required in accordance with Schedule A to Bid, Specific Works Data. Drawings and data submitted must be in sufficient detail and clarity to permit the Employer to verify compliance with the provisions of the Bidding Documents. This will include but not be limited to the following:
 - (i) **(NOT APPLICABLE)**A sufficient number of drawings, diagrams, photographs, catalogues, illustrations and such other information as are necessary to illustrate clearly the significant characteristics such as general construction dimensions and other relevant information about the Plant to be furnished.
 - (ii) **(NOT APPLICABLE)**The approximate weight and dimension of the main components, a brief description of the principal materials and fabrication processes to be used and recommended methods of assembly.

(iii) **(NOT APPLICABLE)** Any other information which is required for evaluation purposes.

(c) **(NOT APPLICABLE)** A clause-by-clause commentary on Technical Provisions, provided with the Bidding Documents, demonstrating the Plant's and Service's substantial responsiveness to those Specifications or a statement of deviations and exceptions to the provisions of the Technical Provisions as required in Schedule F to Bid.

14.4 **(NOT APPLICABLE)** For purpose of the commentary to be furnished pursuant to Sub-Clause 14.3(c) above, the Bidder shall note that standards for workmanship, material and equipment, and references to brand names or catalogue numbers, designated by the Employer in the Technical Provisions are intended to be descriptive only and not restrictive. The Bidder may substitute alternative standards, brand names and/or catalogue numbers in its Bid, provided that it demonstrates to the Employer's satisfaction that the substitutions are substantially equivalent or superior to those designated in the Technical Provisions. Copies of the standards proposed by the Bidder other than those specified in the Bidding Documents shall be furnished.

IB.15 Bid Security

15.1 Each Bidder shall furnish, as part of his Bid, a Bid Security of an amount not less than 2% of the estimated amount in Pak Rupees. In case of Joint Venture, bid security shall be submitted with the name of proposed JV accordingly.

15.2 The Bid Security shall be, at the option of the Bidder, in the form of Deposit at Call issued by a Scheduled Bank in Pakistan or from a foreign bank duly counter-guaranteed by a Scheduled Bank in Pakistan in favour of the Employer **valid for a period of twenty-eight (28) days beyond the bid validity date.**

15.3 The Bid Security is required to protect the Employer against the risk of Bidder's conduct which would warrant the security's forfeiture, pursuant to Sub-Clause 15.7 hereof.

15.4 Any Bid not accompanied by an acceptable Bid Security shall be considered by the Employer as non-responsive, pursuant to Clause IB.24.

15.5 The Bid securities of unsuccessful Bidders will be returned upon award of contract to the successful Bidder or on the expiry of validity of Bid Security whichever is earlier.

15.6 The Bid Security of the successful Bidder will be returned when the Bidder has furnished the required Performance Security, pursuant to Clause IB.34 and signed the Contract Agreement, pursuant to Clause IB.35.

15.7 The Bid Security may be forfeited:

- (a) if a Bidder withdraws his Bid during the period of Bid validity;
- (b) if a Bidder does not accept the correction of his Bid Price, pursuant to Sub-Clause 24.2 hereof; or
- (c) in the case of a successful Bidder, if he fails to:
 - (i) furnish the required Performance Security in accordance with Clause IB.34, or
 - (ii) sign the Contract Agreement, in accordance with Clause IB.35.

IB.16 Validity of Bids

16.1 Bids shall remain valid for **180 days** after the date of Bid opening as prescribed in Clause IB.19.

- 16.2 In exceptional circumstances prior to expiry of original Bid validity period, the Employer may request the Bidders to extend the period of validity for a specified additional period which shall in no case be more than the original Bid validity period. The request and the responses thereto shall be made in writing. A Bidder may refuse the request without forfeiture of his Bid Security. A Bidder agreeing to the request will be required to extend the validity of his Bid Security for the period of the extension, and in compliance with Clause IB.15 in all respects.

IB.17 Format and Signing of Bid

- 17.1 Bidders are particularly directed that the amount entered on the Form of Bid shall be for performing the Contract strictly in accordance with the Bidding Documents.
- 17.2 All Schedules to Bid (A to L) are to be properly completed and signed.
- 17.3 No alteration is to be made in the Form of Bid nor in the Schedules thereto except in filling up the blanks as directed. If any alteration be made or if these instructions be not fully complied with, the Bid may be rejected.
- 17.4 Each Bidder shall prepare **one (1) Original** and **one (01) Copy**, of the documents comprising the bid as described in Clause IB.9 and clearly mark them “ORIGINAL” and ‘COPY” as appropriate. In the event of discrepancy between them, the original shall prevail. In addition, soft copy of the bidding documents complete in all respects is also to be provided in CDs.
- 17.5 The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign (in the case of copies, Photostats are also acceptable). This shall be indicated by submitting a **written Power of Attorney authorizing the signatory of the Bidder to act for and on behalf of the Bidder**. All pages of the Bid and Schedules to Bid shall be initialed and stamped by the person or persons signing the Bid. Each page of Bid Documents must be signed and stamped by legally authorized representative of the firm/JV. For the said purpose, Power of Attorney shall be on judicial stamp paper with original signatures (scanned and electronic signatures would not be acceptable).
- Complete signatures, initials and other personal details of the attorney should be provided on Power of Attorney.
 - Principal (issuing authority of power of attorney) shall provide the legal documents establishing his authority to sign power of authority on behalf of JV.
 - Documents not duly signed and stamped shall not be considered for evaluation purpose.
 - In case of foreign firm, Power of Attorney shall be authenticated from foreign offices of applicants in the country of origin duly counter attested by Embassy of Pakistan.
- 17.6 The Bid shall contain no alterations, omissions or additions, except to comply with instructions issued by the Employer, or as are necessary to correct errors made by the Bidder, in which case such corrections shall be initialed by the person or persons signing the Bid.
- 17.7 Bidders shall indicate in the space provided in the Form of Bid their full and proper addresses at which notices may be legally served on them and to which all correspondence in connection with their Bids and the Contract is to be sent.
- 17.8 Bidders should retain a copy of the Bidding Documents as their file copy.

(D) SUBMISSION OF BIDS

IB.18 Sealing and Marking of Bids

- 18.1 Each Bidder shall submit his Bid as under:
- (a) **ORIGINAL and ONE COPY** of the original Technical Bid and Price Bid shall be separately sealed and put in separate envelopes and marked as such.
 - (b) The envelopes containing the **ORIGINAL and COPY** of both Technical Bids and Price Bids will be put in one sealed envelope and addressed/identified as given in Sub-Clause 18.2 hereof.
 - (c) **(NOT APPLICABLE)** The bidder wishing to offer a completely new alternative as per ITB 41, with his own design approach and own field collected data, he may submit a separate sealed envelope containing Technical and Financial Proposals (three copies) for consideration of employer, but the bidder must first price the Employer's proposal.
 - (d) **(NOT APPLICABLE)** The Alternative offer, if submitted by bidder as per IB 18.1(c), this will be opened only in case of lowest evaluated bidder in the light of provisions of IB 41.
- 18.2 The inner and outer envelopes shall;
- (a) be addressed to the Employer at the address given in Sub-Clause 6.1 heretofore.
 - (b) bear the Project name, Contract No. and Date of opening of Bid.
 - (c) provide a warning not to open before the time and date for Bid opening.
- 18.3 The Bid shall be delivered in person at the address to Employer as mentioned in the Invitation to Bids/relevant clause of this document.
- 18.4 In addition to the identification required in Sub-Clause 18.2 hereof, the inner envelope shall indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared "late" pursuant to Clause IB.20.
- 18.5 If the outer envelope is not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the Bid.

IB.19 Deadline for Submission of Bids

- 19.1 (a) Bids must be received by the Employer at the address specified in Invitation for Bids/relevant clause of this document not later than the time and date stipulated in the Invitation for Bids.
- (b) Bids with charges payable will not be accepted, nor will arrangements be undertaken to collect the Bids from any delivery point other than that specified above. Bidders shall bear all expenses incurred in the preparation and delivery of Bids.
 - (c) Where delivery of a Bid is by mail and the Bidder wishes to receive an acknowledgment of receipt of such Bid, he shall make a request for such acknowledgment in a separate letter attached to but not included in the sealed Bid package.
 - (d) Upon request, acknowledgment of receipt of Bids will be provided to those making delivery in person or by messenger.
- 19.2 **Bids submitted through telegraph, telex, fax or e-mail shall not be considered.**

- 19.3 The Employer may, at his discretion, extend the deadline for submission of Bids by issuing an addendum in accordance with Clause IB.7, in which case all rights and obligations of the Employer and the Bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.

IB.20 Late Bids

- 20.1 (a) Any Bid received by the Employer after the dead line for submission of Bids prescribed in Clause IB.19 will be returned unopened to such Bidder.
- (b) Delays in the mail, delays of person in transit, or delivery of a Bid to the wrong office shall not be accepted as an excuse for failure to deliver a Bid at the proper place and time. It shall be the Bidder's responsibility to determine the manner in which timely delivery of his Bid will be accomplished either in person, by messenger, courier service or by mail.

IB.21 Modification, Substitution and Withdrawal of Bids

- 21.1 Any Bidder may modify, substitute or withdraw his Bid after Bid submission provided that modification, substitution or written notice of the withdrawal is received by the Employer **at least 24 hours** prior to the deadline for submission of Bids.
- 21.2 The modification, substitution or withdrawal of any Bid shall be prepared, sealed, marked and delivered in accordance with the provisions of Clause IB.18 with the outer and inner envelopes additionally marked "MODIFICATION", "SUBSTITUTION" or "WITHDRAWAL", as appropriate.
- 21.3 Withdrawal of a Bid during the interval between the deadline for submission of Bids and the expiration of the period of Bid validity specified in the Form of Bid may result in forfeiture of the Bid Security pursuant to Clause IB.15.

(E) BID OPENING AND EVALUATION

IB.22 Bid Opening

- 22.1 A committee consisting of nominated members by the Employer will open the Bids, including withdrawals, substitution and modifications made pursuant to Clause IB.21, in the presence of Bidders' representatives who choose to attend, at the time, date and location stipulated in the Invitation for Bids. Technical Bids will be opened first. At the end of the evaluation of the Technical Bids, the Employer will invite Bidders who have submitted substantially responsive Technical Bids and who have been determined as being qualified for award to attend opening of the Price Bids.

The Bidders' representatives who are present shall sign in a register evidencing their attendance.

- 22.2 Envelopes marked "MODIFICATION", "SUBSTITUTION" or "WITHDRAWAL" shall be opened and read out first and the name of the Bidder shall be read out. Bids for which an acceptable notice of withdrawal has been submitted pursuant to Clause IB.21 shall not be opened.
- 22.3 The Bidder's name, Bid Prices, unit rates, any discount offered, Bid modifications, substitutions and withdrawals, the presence or absence of Bid Security, and such other details

as the Employer at its discretion may consider appropriate, will be announced by the Employer at the Bid opening. The Employer will record minutes of Bid opening.

Any Bid Price or discount which is not read out and recorded at Bid opening will not be taken into account in the evaluation of Bid. Any discount offered by the Bidder on its quoted prices, shall only be considered if such discount is either shown on the duly filled-in, signed and stamped Form of Bid/Letter of price bid or on the Summary Page of the quoted amount for Lumpsum contract/bill of quantities as applicable. In case of any discrepancy or difference in the rate or amount of discount mentioned in the Form of Bid/Letter of price bid (as duly filled-in and signed), and on the Summary Page of the Priced BOQ, the discount shown on the Priced BOQ shall prevail. Discount, if offered, through a separate letter of discount submitted with the Bid, will not be entertained and shall be considered null & void.”

22.4 Discounts offered for lesser period than the Bid validity shall not be considered in evaluation.

IB.23 Clarification of Bids

23.1 To assist in the examination, evaluation and comparison of Bids, the Employer may, at its discretion, ask the Bidder for a clarification of its Bid. The request for clarification and the response shall be in writing and no change in the price or substance of the Bid shall be sought, offered or permitted.

IB.24 Preliminary Examination & Determination of Responsiveness of Bids

24.1 Prior to detailed evaluation pursuant to Clause IB.26, the Employer will determine the responsiveness of the Bids as follows:

- (a) the Employer will examine the Bids to determine whether;
 - (i) If all data as per Bidder's own Checklist have been provided?
 - (ii) the Bid is complete and does not deviate from the scope,
 - (iii) any computational errors have been made,
 - (iv) required sureties have been furnished,
 - (v) the documents have been properly signed,
 - (vi) the Bid is valid till required period,
 - (vii) the Bid prices are firm during currency of contract if it is a fixed price bid,
 - (viii) completion period offered is within specified limits,
 - (ix) the Bidder is eligible to Bid and possesses the requisite experience,
 - (x) the Bid does not deviate from basic technical requirements; and
 - (xi) the Bids are generally in order and duly filled in k, l & m components as per IB-9.
- (b) A bid is likely not to be considered, if;
 - (i) it is unsigned,
 - (ii) its validity is less than specified,
 - (iii) it is submitted for incomplete scope of work,
 - (iv) it indicates completion period later than specified,

- (v) it indicates that Works and materials to be supplied do not meet eligibility requirements,
 - (vi) it indicates that Bid prices do not include the amount of income tax, and
 - (vii) Alteration in Form of Bid as per IB.17.3.
- (c) A bid will not be considered, if;
- (i) it is not accompanied with bid security,
 - (ii) it is submitted by a Bidder who has participated in more than one Bid,
 - (iii) it is received after the deadline for submission of Bids,
 - (iv) it is submitted through fax, telex, telegram or email,
 - (v) it indicates that prices quoted are not firm during currency of the contract whereas the Bidders are required to quote fixed price(s),
 - (vi) the Bidder refuses to accept arithmetic correction,
 - (vii) it is materially and substantially different from the Conditions/ Specifications of the Bidding Documents depending on the material deviations made.

It is after review and determination of the responsiveness as per above that further action on technical evaluation will be taken.

24.2 Arithmetical errors will be rectified on the following basis:

If there is a discrepancy between the unit price and total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If there is a discrepancy between the words and figures the amount in words shall prevail. If there is a discrepancy between the total Bid price entered in Form of Price Bid and the total shown in Schedule of Prices Summary, the amount stated in the Form of Price Bid will be corrected by the Employer in accordance with the Corrected Schedule of Prices.

If the Bidder does not accept the corrected amount of Bid, his Bid will be rejected and his Bid Security forfeited.

24.3 Prior to the detailed evaluation, pursuant to Clause IB.26 the Employer will determine the substantial responsiveness of each Bid to the Bidding Documents. For purpose of these Clauses, a substantially responsive Bid is one which conforms to all the terms and conditions of the Bidding Documents without material deviations.

A material deviation or reservation is one:

- (i) which affect in any substantial way the scope, quality or performance of the Works;
- (ii) which limits in any substantial way, inconsistent with the Bidding Documents, the Employer's rights or the Bidder's obligations under the Contract; or
- (iii) whose rectification/adoption would affect unfairly the competitive position of other Bidders presenting substantially responsive Bids.

The Employer's determination of a Bid responsiveness will be based on the contents of the Bid itself without recourse to irrelevant evidence.

24.4 A Bid determined as substantially non-responsive will be rejected and will not subsequently be made responsive by the Bidder by correction of the non-conformity.

- 24.5 Any minor informality or non-conformity or irregularity in a Bid which does not constitute a material deviation may be waived by Employer, as long as the waiver does not prejudice or affect the relative ranking of any Bidder.

IB.25 Conversion to Single Currency

- 25.1 **(NOT APPLICABLE)** To facilitate evaluation and comparison, the Employer will convert all Bid Prices, expressed in the amounts in various currencies in which bid Price is quoted, to Pak Rupees at the telegraphic Transfer and Over Draft (TT&OD) composite selling exchange rate published/authorized by the State Bank of Pakistan and applicable to similar transaction, on the date of bid opening.

IB.26 Detailed Evaluation of Bids

- 26.1 Only the Bids previously determined to be substantially responsive pursuant to Clause IB.24 will be evaluated and compared in detail by the Employer as per the requirements given hereunder:

26.2 Evaluation and Comparison of Bids

- (a) Bids will be evaluated for each item and/or complete scope of work.

- (b) Basis of Price Comparison

The prices will be compared on the basis of the Evaluated Bid Price pursuant to Para (e) herein below.

- (c) Technical Evaluation

- (i) It will be examined in detail whether the bid offered by the Bidder comply with the Technical Provisions of the Bidding Documents. For this purpose, design offered by the Bidder will be reviewed for which the Bidder's data submitted with the Bid under Schedule A to Bid (Specific Works Data) will be compared with the technical features/criteria prescribed by the Employer in these documents. Other technical information submitted with the Bid regarding the Scope of Work will also be reviewed including importations, if any, required.

- (ii) The criteria for evaluation of technical bid shall be as per following details:

Sr. No.	General Screening of Technical Evaluation of various parameters		Maximum Marks	Remarks
i	Experience a. Construction	General Construction Experience (Civil Works) more than 100 million in last 10 years	10	
		Construction Experience of Overhead Tanks more than Rs. 30 million in last 10 years	15	
	b. Design	Construction Experience (EPC Contracts) of more than Rs. 30million in last 10 years	10	
		Sub Total	35	
ii	Competence /Performance	Methodology, Construction Plan & Execution Strategy of Works to ensure completion of work in stipulated time.	05	
		Design Competency	10	
		Details of machinery available to see adequacy of the arrangements made.	10	
		Key proposed personnel i. Design Team ii. Construction Team	10	
		Present commitment /Projects in hand	05	
		Sub Total	40	
iii	Financial	Average Annual Turn Over in the last three years	10	
		Available Bank Credit line	10	
		Working Capital in last three (3) years	05	
		Sub Total	25	
		Grand Total	100	

(>70%-Pass, <70%-Fail)

The Bidder having achieved 70% marks or more shall be considered "Pass" and only such cases shall be processed / considered for next stage i.e. financial bids opening.

(iii) Financial Proposal Evaluation Criteria

$$\begin{aligned} \text{Lowest bid} &= 100 \text{ score} \\ \text{Score of evaluated bid} &= \frac{\text{Lowest bid Amount} \times 100}{\text{Evaluated bid Amount of Proposal under consideration}} \end{aligned}$$

(iv) Final Evaluation Results

The final results of the evaluation process will be determined by adding together the results of the technical and financial evaluations to determine the final ranking of each proposal.

$$\text{Combined evaluation} = \text{technical score} \times 0.6 + \frac{[\text{Lowest Bid}]}{\text{Evaluated bid}} \times 0.4$$

(d) Commercial Evaluation

It will be examined in detail whether the Bids comply with the commercial/contractual conditions of the Bidding Documents. It is expected that no major deviation/stipulation shall be taken by the Bidders.

(e) Evaluated Bid Price

In evaluating the Bids, the Employer will determine for each Bid in addition to the Bid Price, the following factors (adjustments) in the manner and to the extent indicated below to determine the Evaluated Bid Price:

- (i) making any correction for errors pursuant to Sub-Clause 24.2 hereof.
- (ii) excluding Provisional Sums, if any, but including priced Day work.
- (iii) making an appropriate adjustment for any other acceptable variation or deviation.

26.3 Evaluation Methods

Pursuant to Sub-Clause 26.2, Para (e) (iii) following evaluation methods for price adjustments will be followed in the financial evaluation:

- (a) Price Adjustment for Completeness in Scope of Work
- (c) Price Adjustment for Technical Compliance
- (d) Price Adjustment for Commercial Compliance
- (e) Price Adjustment for Deviations in Terms of Payment
- (f) Price Adjustment for Completion Schedule
- (i) Price Adjustment for Completeness in Scope of Work

In case of omission in the scope of work of a quoted item, no price adjustment for the omitted item(s) shall be applied provided that the Bidder has mentioned in his Bid that the same is covered in any other item.

The price adjustment shall not justify any additional payment by the Employer. The price(s) of omitted item(s) shall be deemed covered by other prices of the Schedule of Prices.

- (ii) Price Adjustment for Technical Compliance

The cost of making good any deficiency resulting from technical noncompliance will be added to the Corrected Total Bid Price for comparison purposes only. The adjustments will be applied taking the average price quoted by other Bidders being evaluated in detail in their original Bids for corresponding item. In case of non-availability of price from other Bidders, the price will be estimated by the Employer.

- (iii) Price Adjustment for Commercial Compliance

The cost of making good any deficiency resulting from any quantifiable acceptable variations and deviations from the Bid Schedules and Conditions of Contract, as determined by the Project Manager/Engineer will be added to the Corrected Total Bid Price for comparison purpose only. Adjustment for commercial compliance will be based on Corrected Total Bid Prices.

- (iv) **(NOT APPLICABLE)** Price Adjustment for Deviation in Terms of Payment

If a Bid deviates from the terms of payment/payment conditions as specified in the Conditions of Contract and if such deviation is considered acceptable to the Employer, mark-up earned for any earlier payments involved in the terms outlined in the Bid as compared to those stipulated in the Conditions of Contract shall be calculated at the mark-up rate of KIBOR +3% per annum and shall be added to the Corrected Total Bid Price for comparison purposes only.

- (v) Price Adjustment for Completion Schedule

Bids indicating completion in advance of the dates stated in Preamble to Conditions of Contract, no credit will be given in this evaluation.

- 26.4 If the Bid of the successful Bidder is seriously unbalanced in relation to the Employer's estimate of the cost of work to be performed under the Contract, the Employer may require the Bidder to produce detailed price analyses for any or all items of the Schedule of Prices

to demonstrate the internal consistency of those prices with the construction methods and schedule proposed. After evaluation of the price analyses, the Employer may require that the amount of the Performance Security set forth in Clause IB.34 be increased at the expense of the successful Bidder to a level sufficient to protect the Employer against financial loss in the event of default of the successful Bidder under the Contract.

IB.27. Domestic Preference(NOT APPLICABLE)

- 27.1 **(NOT APPLICABLE)**In the comparison of evaluated Bids, the Goods manufactured in Pakistan, will be granted a margin of preference in accordance with the following procedures, provided the Bidder shall have established to the satisfaction of Employer that the manufacturing cost of such Goods includes a domestic value addition equal to at least 20% of the ex-factory Bid price of such Goods. Bidders applying for domestic preference shall fill in Appendix C to these Instructions to substantiate their claim.
- 27.2 **(NOT APPLICABLE)**The Employer will first review the Bids to determine, the Bid group classification in accordance with Sub-Clause 10.2 hereof.
- 27.3 **(NOT APPLICABLE)**The comparison shall be ex-factory price of the Goods to be offered from within Pakistan (such prices to include all costs as well as custom duties and taxes paid or payable on raw materials and components incorporated or to be incorporated in the Goods) and the DDP (CIF + Customs duty, sales tax and other import charges) Pakistan seaport price of the Goods to be offered from outside Pakistan.
- 27.4 **(NOT APPLICABLE)**The lowest evaluated Bid of each Group shall first be determined by comparing all evaluated Bids in each Group among themselves taking into account:
- (a) In the case of Goods manufactured in Pakistan, sales tax, local body charges and other similar taxes which will be payable on the furnished Goods in Pakistan.
 - (b) In the case of Goods of foreign origin offered from abroad, customs duties, sales tax and other import charges which will be payable on furnished Goods in Pakistan.
 - (c) In the case of Goods of foreign origin already located in Pakistan, customs duty, sales tax and import charges on CIF price as applicable for Sub-Clause 27.4(b) here above.
- 27.5 **(NOT APPLICABLE)**The price preference to Group A bids will be:
- (i) 15% of the ex-factory bid price, if the value addition through indigenous manufacturing is at least 20%;
 - (ii) 20% of the ex-factory bid price, if the value addition through indigenous manufacturing is over 20% and up to 30%; and
 - (iii) 25% of the ex-factory bid price, if the value addition through indigenous manufacturing is over 30%.
- 27.6 **(NOT APPLICABLE)**The applicable price preference i.e., as per Sub-Clause 27.5 here above will be applied to Group A Bid by reducing the ex-factory bid price.
- 27.7 **(NOT APPLICABLE)**The computation for the purpose of domestic preference under Sub-Clause IB 10.2 and Clause IB 27 and award of contract shall subject to change, if any, as per policy of the Federal Government as applicable on the date of bid opening.

IB.28 Process to be Confidential

28. 1 Subject to Clause 23 heretofore, no Bidder shall contact Employer on any matter relating to its Bid from the time of the Bid opening to the time the Bid evaluation result is announced

by the Employer. The evaluation result shall be announced at least ten (10) days prior to award of Contract.

- 28.2 Any effort by a Bidder to influence Employer in the Bid evaluation, Bid comparison or Contract Award decisions may result in the rejection of his Bid. Whereas any Bidder feeling aggrieved may lodge a written complaint not later than fifteen (15) days after the announcement of the Bid evaluation result; however, mere fact of lodging a complaint shall not warrant suspension of the procurement process.

(F) AWARD OF CONTRACT

IB.29. Post-Qualification

- 29.1 The Employer, at any stage of the bid evaluation, having credible reasons for or *prima facie* evidence of any defect in supplier's or contractor's capacities, may require the suppliers or contractors to provide information concerning their professional, technical, financial, legal or managerial competence:

Provided that such qualification shall only be laid down after recording reasons therefore in writing. They shall form part of the records of that bid evaluation report.

- 29.2 The determination will take into account the Bidder's financial, technical and production capabilities. It will be based upon an examination of the documentary evidence of the Bidder's qualification submitted under Appendix B to Instructions to Bidders "Evidence of Bidder's Capability" by the Bidder pursuant to Clause IB.13, as well as such other information as required under the Bidding Documents.
- 29.3 An affirmative determination will be a pre-requisite for award of the Contract to the lowest evaluated Bidder. A negative determination will result in rejection of that Bidder's Bid in which event, Employer will proceed to undertake a similar determination of the next lowest evaluated Bidder's capabilities to perform the Contract satisfactorily.

IB.30 Award Criteria

- 30.1 Subject to Clause IB.32, the Employer will award the Contract to the successful Bidder whose Bid has been determined to be substantially responsive to the Bidding Documents and who has been selected on EPC/Turnkey basis using Quality Cost Based Selection (QCBS) method, provided that such Bidder has been determined to be qualified to satisfactorily perform the Contract in accordance with the provisions of Clause IB.29.

IB.31 Employer's Right to Vary Scope of Work

- 31.1 Employer reserves the right at the time of award of Contract to increase or decrease the scope of work contained in the Schedule of Prices without any change in the unit price or other terms and conditions.

IB.32 Employer's Right to Accept any Bid and to Reject any or all Bids

- 32.1 Notwithstanding Clause IB.30, the Employer reserves the right to accept or reject any Bid, and to annul the bidding process and reject all Bids, at any time prior to award of Contract, without thereby incurring any liability to the affected Bidders or any obligation to inform the affected Bidders of the grounds for the Employer's action except that the grounds for its rejection shall upon request be communicated, to any Bidder who submitted a Bid, without justification of grounds. Rejection of all Bids shall be notified to all Bidders promptly.
- 32.2 No negotiation with the Bidder having been evaluated as lowest responsive or any other Bidder shall be permitted. However, the Employer may have clarification meeting(s) to get clarified any item(s) in the Bid evaluation report.

IB.33 Notification of Award

- 33.1 Prior to expiration of the period of Bid validity prescribed by the Employer, the Employer will notify the successful Bidder in writing (“Letter of Acceptance”) that his Bid has been accepted. This letter shall name the sum which the Employer will pay the Contractor in consideration of the design, execution and completion of the Works/facility by the Contractor as prescribed by the Contract (hereinafter and in the Conditions of Contract called the “Contract Price”).
- 33.2 The Letter of Acceptance and its acceptance by the Bidder will constitute the formation of the Contract, binding the Employer and the Bidder till signing of the formal Contract Agreement.
- 33.3 Upon furnishing by the successful Bidder of a Performance Security, the Employer will promptly notify the other Bidders that their Bids have been unsuccessful and return their Bid securities.

IB.34 Performance Security

- 34.1 The successful Bidder shall furnish to the Employer a Performance Security in the form and the amount stipulated in the Conditions of Contract within a period of twenty-eight (28) days after the receipt of Letter of Acceptance.
- 34.2 Failure of the successful Bidder to comply with the requirements of Sub-Clauses IB.34.1, IB.35 or Clause IB.44 shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security.

IB.35 Signing of Contract Agreement

- 35.1 Within fourteen (14) days from the date of furnishing of acceptable Performance Security under the Conditions of Contract, the Employer will send to the successful Bidder the Form of Contract Agreement provided in the Bidding Documents, duly filled in and incorporating all agreements between the parties for signing and return it to the Employer.
- 35.2 The formal Agreement between the Employer and the successful Bidder shall be executed within fourteen (14) days of the receipt of such Form of Contract Agreement by the successful Bidder from the Employer.

(G) ADDITIONAL INSTRUCTIONS**IB.36 Instructions not Part of Contract**

- 36.1 Bids shall be prepared and submitted in accordance with the above Instructions to Bidders including Additional Instructions which are provided to assist Bidders in preparing their Bids, and do not constitute part of the Bid or the Contract Documents.

IB.37 Contract Documents

- 37.1 The Documents which will be included in the Contract are listed in the Form of Contract Agreement set out in these Bidding Documents.

IB.38 Sufficiency of Bid

- 38.1 Each Bidder shall satisfy himself before bidding as to the correctness and sufficiency of his

Bid and of the rates and prices/milestones entered in the Schedule of Prices. Except insofar as it is otherwise expressly provided in the Contract, the rates and prices entered in the Schedule of Price shall cover all his obligations under the Contract and all matters and things necessary for the proper completion of the Works/facility including all indirect cost resulting from supplementary specification and special provisions included in the bid documents.

IB.39 One Bid per Bidder

39.1 Each Bidder shall submit only one Bid either by himself, or as a partner in a joint venture. A Bidder who submits or participates in more than one Bid will be disqualified and Bids submitted by him shall not be considered for evaluation and award.

IB.40 Bidder to inform himself

40.1 The Bidder is advised to obtain for himself at his own cost and responsibility all information that may be necessary for preparing the Bid and entering into a Contract for execution of the Works/facility. This shall include but not be limited to the following:

- (a) inquiries on Pakistani Income Tax to the Commissioner of the Income Tax and Sales Tax.
- (b) inquiries on customs duties and other import taxes, to the concerned authorities of Customs and Excise Department.
- (c) information regarding port clearance facilities, loading and unloading facilities, storage facilities, transportation facilities and congestion at Pakistan seaports.
- (d) investigations regarding transport conditions and the probable conditions which will exist at the time the Plant will be actually transported.
- (e) EPA Regulations
- (f) Provincial Regulations / bye-laws
- (g) any other law which may relate to project

IB.41 Alternate Proposals by Bidder(NOT APPLICABLE)

41.1 **(NOT APPLICABLE)**Should any Bidder consider that he can offer any advantage to the Employer by a modification to the designs, specifications or other conditions, he may, in addition to his Bid to be submitted in strict compliance with the Bidding Documents, submit any Alternate Proposal(s) containing (a) relevant design calculations; (b) technical specifications; (c) proposed construction methodology; and (d) any other relevant details / conditions, provided always that the total sum entered on the Form of Bid shall be that which represents complete compliance with the Bidding Documents.

41.2 **(NOT APPLICABLE)**Alternate Proposal(s), if any, of the lowest evaluated responsive Bidder only may be considered by the Employer as the basis for the award of Contract to such Bidder.

IB.42 Site Visit and Local Conditions

42.1 Bidder must verify and supplement by his own investigations the information about site and local conditions. However, Employer will facilitate the Bidder wherever practicable and possible.

42.2 All Bidders are required to visit the site at their own expense to review the areas allocated for the execution and completion of the work and the interfacing facilities, if any. Bidders

may also wish to study local conditions, available facilities, communications, craft wages, roads and other transport facilities. Bidders shall also acquaint themselves with the relevant laws, rules, and regulations of Pakistan.

- 42.3 The Bidders and any of their personnel or agents will be granted permission by the Employer to enter upon his premises and lands for the purpose of such inspection, but only upon the express condition that the Bidders, their personnel and agents, will release and indemnify the Employer, his personnel and agents from and against all liability in respect thereof and will be responsible for death or personal injury, loss of or damage to property and any other loss, damage, costs and expenses incurred as a result of such inspection.

IB.43 Pre-Bid Meeting

- 43.1 Pre-bid meeting will be held on **16-01-2018** at 1130 hrs. at KFUEITV.C Secretariat. All bidders invited or their authorized representatives may attend such a Pre-bid Meeting. Employer will examine the request for clarification of Bidding Documents which it receives not later than two days before the Pre-bid Meeting. The minutes of the pre-bid meeting shall be issued and if needed will issue the clarifications/amendments of the Bidding Documents to all the bidders before the date of submission of bids. It is expected that bidders will thoroughly study the bidding documents and come up with all their points/non-clarities etc. maximum upto pre-bid meeting stage.

IB.44 Integrity Pact

- 44.1 The Bidder shall sign and stamp the Integrity Pact provided in Schedule-J to Bid in the Bidding Documents. Failure to provide such Integrity Pact shall make the Bid non-responsive.

IB.45 General Performance of the Bidders

- 45.1 The Employer reserves the right to obtain information regarding performance of the Bidders on their previously awarded contracts/works (Schedule-I to bid). The Employer may in case of consistent poor performance of any Bidder as reported by the employers of the previously awarded contracts, inter alia, reject his bid and/or refer the case to the Pakistan Engineering Council. Upon such reference, PEC in accordance with its rules, procedures and relevant laws of the land take such action as may be deemed appropriate under the circumstances of the case including black listing of such Bidder and debarring him from participation in future bidding for similar works.

It may further be noted that any fraudulent / false information provided in the documents by the bidders may result in appropriate action including cancellation of contract at any stage and after award of work.

IB.46 Bidding Procedure

- 46.1 Procedure of opening competitive bidding for the scope of bid as defined in clause IB.1 shall be based on Single Stage Two Envelope (SSTE) Procedure as per PPRA rules, Government of Punjab.

(H) APPENDICES

The Appendices to ITB are as given below:

- Appendix-A: Name of Eligible Countries
- Appendix-B: Evidence of Bidder's Capabilities
- Appendix-C: Checklist for submissions to be made with the Bid.

Appendices are given here below:

**Appendix A to
Instructions to Bidders**

NAME OF ELIGIBLE COUNTRIES

All countries of the World with whom Islamic Republic of Pakistan has commercial relations.

EVIDENCE OF BIDDER'S CAPABILITY

Note: Bidders to provide the following information with the Bid separately and indicate herein its references where this information is available.

Sr.No.	Information to be Supplied	Bid References
1.	Name of Bidder, business address and country of incorporation.	
2.	Type of firm whether individually owned, partnership, corporation or joint venture and the names of its owners or partners.	
3.	Does the company has in-house design setup/teams or design assignments are to be carried out by sub-consultants? If so, please name external setups with their profiles and websites.	
3.	(a) The annual reports giving general description of the firm, sort of business carried out, balance sheets, profit and loss statements, turn over and business done by the firm, duly authenticated, for the last three (3) years. Audited Balance Sheets for the preceding three (3) years shall be provided. <ul style="list-style-type: none"> i. Total value of works in hand on bid opening/preparation date. ii. Total value of works completed in last three years. 	
4.	(a) Bidder has completed at least one (1) EPC/Turnkey Contract with a min. value of Rs.20 million during the last three years. (Schedule-I to bid)	
	(b) Bidder has designed, supplied and constructed atleast one similar project during the last three years of Rs. 20 million. (Schedule-I to bid)	
	(c) Design capacity of bidder/JV partner, to undertake the project i.e. experience of designing of Sector/housing schemes related work. Bio-data of proposed professional must be attached with planning, structure, public health, Engineering	

Electrical Engineering, Quality control/material engineering etc. or associated design consultant and which work they did for the bidder.

5. **(NOT APPLICABLE)** Location and address of manufacturing facilities, if applicable.
6. **(NOT APPLICABLE)** Full description of facilities owned and the manufacturing capacities of various items made therein.
7. **(NOT APPLICABLE)** Details of the facilities where the offered material / equipment is proposed to be manufactured. This description should include the facilities and capacities of the particular facilities including testing facilities and the processes used in manufacturing and testing. Where parts or components are purchased from outside, the details of equipment purchased and the names and experience record of the suppliers.
8. Detailed description of the quality control testing and research facilities.
9. (a) Names, qualifications and experience of the key technical personnel relevant to the project along with their Resumes/CV.
 - (b) (i) Nos. of total permanent Staff on roll of the company in various trades and specialties such as survey, inspection, testing, construction, contract engineers, procurement and quality control engineers etc..
 - (ii) Nos. of total qualified engineers on roll of the company.
10. The time since the bidder has been in this business and the time since he has been doing work of similar nature.
11. The time since the particular equipment offered has been manufactured and the time for which it has been in service. The manufacturer shall have the experience stated in Sub-Clause IB 13.4(a).

~~NOT APPLICABLE~~
12. Reference lists of similar works done by

the Bidder in its country and abroad indicating the name of customer, description and quantity of work, year of execution and the approximate value. This is an important consideration and should be filled in with full details (attach separate sheet if needed)

13. Details of projects under execution and future contractual commitments (for each partner, in case of a joint venture).
14. (a) Banking reference, names of banks and addresses may be given to whom reference regarding financial capability of the Bidder may be made, with authority to make inquiries from the Bidder's bankers and clients regarding any financial and technical aspects (for each partner, in case of a joint venture).
- (b) Detail of Over Draft (OD) limit allowed to the firm by the bank for the business including amount and its validity period.
15. Health, Safety and emergency plan as well as Risk Management plan for the project.
16. Detailed/ Integrated work plan alongwith methodology to complete the assignment.
17. **(NOT APPLICABLE)** Training and Employment plan of local work force for which contractor is to atleast have a budget of Rs. 100 million for incurring expenditures on arranging such trainings for Employer/Employer staff who are to maintain and operate the facility after construction. This is not reimbursable and contractor has to consider this amount included in his over heads.
18. Information on any litigation or arbitration resulting from contracts completed or under execution by the Bidder over the last ten (10) years. The information shall indicate the parties concerned, the matter of dispute, the disputed amounts and the result thereof (for each partner, in case of a joint venture).

**Appendix C to
Instructions to Bidders**

CHECKLIST FOR SUBMISSIONS TO BE MADE WITH THE BID

[After reading the complete documents thoroughly, Bidder, will prepare and submit his own checklist of submissions to be made with this bid].

**LETTER OF TECHNICAL BID
AND
SCHEDULES TO BID**

LETTER OF TECHNICAL BID AND SCHEDULES TO BID

Letter of Technical Bid

Schedules to Bid

- Schedule A to Bid: Specific Works Data
- Schedule B to Bid: Proposed Organization for the Project
- Schedule C to Bid: Method of Performing Works
- Schedule D to Bid: Proposed Programme of Works
- Schedule E to Bid: Works to be Performed by Subcontractors
- Schedule F-1 to Bid: Deviations from Technical Provisions
- Schedule F-2 to Bid: Deviations from Contractual Conditions
- Schedule G to Bid: Specific Operation/Plant and Equipment Detail
- Schedule H To Bid: Specimen JV Agreement
- Schedule I To Bid: Past Performance and Present Commitments
- Schedule J To Bid: Integrity Pact

LETTER OF TECHNICAL BID

Bid Reference No.:

Package No.:

.....
.....

[Name of Works]

To:

.....
.....
.....

Gentlemen,

1. Having examined the Bidding Documents including Instructions to Bidders, Conditions of Contract, Specifications, Drawings, Schedules to Bid, Schedule of Prices and Addenda Nos. for the execution of the above-named Works, we, the undersigned, being a company doing business under the name of and address
.....
..... and being duly incorporated under the laws of hereby offer to execute and complete such Works and remedy any defects therein in conformity with the said documents including Addenda thereto.
2. We understand that all the Schedules attached hereto form part of this Bid.
3. As security for due performance of the undertakings and obligations of this Bid, we submit herewith a Bid Security in the amount of drawn in the favor of, or made payable to the Employer, and valid for a period days beyond the period of validity of Bid.
4. We undertake, if our Bid is accepted, to commence the Works and to deliver and complete the whole of the Works comprised in the Contract within the time(s) stated in Preamble to the Conditions of Contract.
5. We agree to abide by this Bid for the period of days from the date fixed for receiving the same and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
6. Unless and until a formal Agreement is prepared and executed, this Bid, together with your written acceptance thereof, shall constitute a binding contract between us.
7. We undertake, if our Bid is accepted to execute the Performance Security referred to in Clause 10 of Conditions of Contract for the due performance of the Contract.
8. We do hereby declare that the Bid is made without any collusion, comparison of figures or arrangement with any other person or persons making a Bid for the Works.
9. We do hereby declare that our firm, including any subcontractors or suppliers for any part of the Contract, have nationalities from eligible countries *[insert the nationality of the Bidder, including that of all parties that comprise the Bidder if the Bidder is a consortium or association, and the nationality of each Subcontractor and Supplier]*.
10. We, including any subcontractors or suppliers for any part of the Contract, do not have any conflict of interest.

- 11. We are not participating, as a Bidder or as a subcontractor, in more than one bid in this bidding process.
- 12. We confirm, if our Bid is accepted, that all partners of the joint venture shall be liable jointly and severally for the execution of the Contract and the composition or the constitution of the joint venture shall not be altered without the prior consent of the Employer. (Please delete in case of Bid from a single firm).

Dated this day of 200...

Signature in the capacity of duly authorized to sign the Bid for and on behalf of

(Name of Bidder in Block Capitals)

(Seal of Bidder)

Bidder's Address

.....
.....
.....

Witness:

Signature:

Name:

Address:

.....
.....
.....

Occupation

SCHEDULE – A TO BID**SPECIFIC WORKS DATA**

The main technical data is prescribed in the relevant sections of the Technical Provisions. However, the Bidder may supplement the main technical data by providing hereunder other salient parameters including main plant make, capacity and suitability for the works under consideration to enable the Employer/Project Manager/Engineer to assess technical conformance of the proposed process and the means available with the contractor to do it.

Initials of Signatory to Bid:.....

SCHEDULE – B TO BID**PROPOSED ORGANIZATION FOR THE PROJECT**

The Bidder shall provide in this Schedule Organization chart indicating the key personnel he will employ for Head office and for Site office involved in management, supervision and Project Manager/Engineering of the Works to be done under the Contract to direct and execute the Works, together with their names, qualifications, experience, positions held and their nationalities.

Designation	Name of Person	Summary of Qualifications, Experience, Present Position and Nationality
--------------------	-----------------------	--

- Head Office:

- Site Office:

Contractor's Representative

Site Superintendent

Supervising engineers

Plant Erectors

Construction Supervisors

Other Key Staff

Initials of Signatory to Bid:.....

METHOD OF PERFORMING THE WORKS

The Bidder is required to submit a narrative outlining the method of performing the Works. The narrative should indicate in detail and include but not be limited to:

- The sequence and methods in which he proposes to carry out the Works, including the number of shifts per day and hours per shift, he expects to work.
- A list of all major items of constructional and erection plant, tools and vehicles proposed to be used in carrying out the Works at Site, including number of each kind, make, type, capacity of all equipment, working condition, which shall be deployed by him for Civil Work and Erection, Testing and Commissioning of the Works, in sufficient detail to demonstrate fully that the equipment will meet all the requirements of the Specifications.
- The procedure for installation/erection of equipment and transportation of equipment and materials to the site.
- Details regarding mobilization in Pakistan, the type of facilities including personnel accommodation, office accommodation, provision for maintenance and for storage, communications, security and other services to be used.
- The Contractor shall provide description of his construction camp's facilities and staff housing requirements.
- The Contractor shall be responsible for pumps, electrical power, water and electrical distribution systems, and sewerage system including all fittings, pipes and other items necessary for servicing the Contractor's construction camp and staff housing facilities. The Bidder shall list or explain his plans for providing these facilities for the service of the Contract as follows:
 1. Site Preparation (clearing, land preparation, etc.).
 2. Provision of Services.
 - a) Power (expected power load, etc.).
 - b) Water (required amount and system proposed).
 - c) Sanitation (sewage disposal system, etc.).

- 3. Construction of Facilities
 - a) Contractor’s Office, Workshop and Work Areas (areas required and proposed layout, type of construction of buildings, etc.).
 - b) Warehouses and Storage Areas (area required, type of construction and layout).
 - c) Housing and Staff Facilities (Plans for housing for proposed staff, layout, type of construction, etc.)
- 4. Construction Equipment Assembly and Preparation (detailed plans for carrying out this activity).
- 5. Other Items Proposed (Security services, etc.).

Initials of Signatory to Bid:.....

SCHEDULE – D TO BID**PROPOSED PROGRAMME OF WORKS**

Bidder shall provide a programme in a bar-chart/CPM/PERT form showing the sequence of work items by which he proposes to complete the Work of the entire Contract. The programme should indicate the sequences of work items and the period of time during which he proposes to complete the Works including the activities like designing, schedule of submittal of drawings, ordering/procurement of materials, manufacturing, delivering, design & construction of associated civil works, installation/erection, testing and commissioning of Works to be executed under the Contract.

Initials of Signatory to Bid:.....

SCHEDULE – E TO BID

WORK TO BE PERFORMED BY SUBCONTRACTORS

The Bidder will do the work with his own forces except the part (s) of the Works listed below which he intends to sub-contract.

<u>Tentative Items of Works to be Sub-Contracted</u>	<u>Name and address of Sub-Contractor</u>	<u>Statement of similar works previously Executed (attach evidence)</u>
--	---	---

Note:

1. No change of Sub-Contractor shall be made by the Bidder without prior approval of the Employer.
2. The truthfulness and accuracy of the statement as to the experience of Subcontractors is guaranteed by the Bidder. The Employer's judgment shall be final as to the evaluation of the experience of Subcontractors submitted by the Bidder.
3. Statement of similar works shall include description, location & value of work, year completed and name & address of the clients.
4. This may include manufacturer(s) who are proposed here and their relevant details to be provided accordingly including make, capacity and salient features to make it particularly suitable for the works. The technology used should also be detailed adequately.

Initials of Signatory to Bid:.....

SCHEDULE – F-1 TO BID**DEVIATIONS
FROM TECHNICAL PROVISIONS**

It is presumed that the Bidder shall not take any deviation. However, if he intends to take deviations to the specified technical provisions, those must be listed in the space provided below:

Sr. No.	Clause No. / Section No.	Deviations/Clarifications
----------------	---------------------------------	----------------------------------

Note: Attach additional sheets, if necessary

Initials of Signatory to Bid:.....

SCHEDULE – F-2 TO BID**DEVIATIONS
FROM CONTRACTUAL CONDITIONS**

It is presumed that the Bidder shall not take any deviation. However, if he intends to take deviations to the specified Contractual/Commercial Conditions, those must be listed in the space provided below:

Sr. No.	Clause No. / Section No.	Deviations/Clarifications
---------	--------------------------	---------------------------

Note: Attach additional sheets, if necessary

Initials of Signatory to Bid:.....

SPECIFIC OPERATION/PLANT AND EQUIPMENT DETAIL

Item of Equipment	Equipment Information		Current Status		Source			
1	2		3		4			
	Name of Manufacturer	Model and Power rating	Current Location	Detail of current commitments	Owned	Rented	Leased	Specially Manufactured

Owner						Details of rental / lease /manufacture agreements specific to the project	
5						6	
Name of Owner	Address of Owner	Telephone	Contract Name and Title	Fax No	Telex		

Note: Attach additional sheets, if necessary

Initials of Signatory to Bid:.....

SCHEDULE –H TO BID**JV AGREEMENT**

[Employer to provide the standard form of Joint Venture Agreement]

(In the event that the successful Bidder is a joint venture formed of two or more companies, the Employer requires that the parties to the joint venture accept joint and several liabilities for all obligations under the Contract.)

SCHEDULE –I TO BID**PAST PERFORMANCE AND PRESENT COMMITMENTS****Past Performance**

Sr. No.	Name of project(s)	Name of employer	completed cost	Start date	Planned completion date	Actual completion date	Satisfactory performance certificate from employer / Remarks regarding delays if applicable
1.							
2.							
3.							
4.							
5.							
6.							
7.							

Present Commitments

Sr. No.	Name of ongoing project(s)	Name of employer	Total cost	Start date	Planned completion date	%age of works completed	Award letter / Remarks regarding delays if applicable
1.							
2.							
3.							
4.							
5.							
6.							
7.							

Any Bidder showing projects outside Pakistan, the information provided on the project needs to be substantiated by certification of concerned country's embassy in Pakistan.

**LETTER OF PRICE BID
AND
SCHEDULES TO BID**

LETTER OF PRICE BID AND SCHEDULES TO BID

Letter of Price Bid

Schedules to Bid

- Schedule J to Bid: Integrity Pact
- Schedule K to Bid: Estimated Progress Payments
- Schedule L to Bid: Lump Sum Cost Breakdown for Major Cost Items

SCHEDULE OF PRICES

- Preamble to Schedule of Prices
- Schedule of Prices
- Summary of Bid Prices

LETTER OF PRICE BID

Bid Reference No.:

Package No.:

.....
.....

[Name of Works]

To:

.....
.....
.....

Gentlemen,

1. Having examined the Bidding Documents including Instructions to Bidders, Conditions of Contract, Specifications, Drawings, Schedules to Bid, Schedule of Prices and Addenda Nos. for the execution of the above-named Works, we, the undersigned, being A companydoingbusinessunderthenameofandaddress and being duly incorporated under the laws of hereby offer to execute and complete such Works and remedy any defects therein in conformity with the said Documents including Addenda thereto for the Total Bid Price comprising of Local Currency Component of Pak Rupees (Rs.) or such other sum as may be ascertained in accordance with the said Documents.
2. We understand that all the Schedules attached hereto form part of this Bid.
4. We undertake, if our Bid is accepted, to commence the Works and to deliver and complete the whole of the Works comprised in the Contract within the time(s) stated in Preamble to the Conditions of Contract.
5. We agree to abide by this Bid for the period of days from the date fixed for receiving the same and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
6. Unless and until a formal Agreement is prepared and executed, this Bid, together with your written acceptance thereof, shall constitute a binding contract between us.
7. We undertake, if our Bid is accepted to execute the Performance Security referred to in Clause 10 of Conditions of Contract for the due performance of the Contract.
8. We understand that you are not bound to accept the lowest or any Bid you may receive.
9. We do hereby declare that the Bid is made without any collusion, comparison of figures or arrangement with any other person or persons making a Bid for the Works.
10. We confirm, if our Bid is accepted, that all partners of the joint venture shall be liable jointly and severally for the execution of the Contract and the composition or the constitution of the joint venture shall not be altered without the prior consent of the Employer. (Please delete in case of Bid from a

single firm).

Dated this day of 200...

Signature in the capacity ofduly authorized to sign the Bid for and on behalf of
(Name of Bidder in Block Capitals)

(Seal of Bidder)

Bidder's Address

.....
.....

Witness:

Signature:

Name:

Address:

.....
.....

Occupation

Integrity Pact

[To be filled and signed by the Bidder]

DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC. PAYABLE BY THE SUPPLIERS OF GOODS, SERVICES & WORKS IN CONTRACTS WORTH RS. 10.00 MILLION OR MORE

Contract No. _____

Dated _____

Contract Value: _____

Contract Title: _____

..... [Name of Supplier] hereby declares that it has not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from Government of Pakistan/Punjab (GoP) or any administrative subdivision or agency thereof or any other entity owned or controlled by GoP through any corrupt business practice.

Without limiting the generality of the foregoing, [name of 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 GoP, except that which has been expressly declared pursuant hereto.

[name of 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 GoP and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

[name of 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 GoP under any law, contract or other instrument, be voidable at the option of GoP.

Notwithstanding any rights and remedies exercised by GoP in this regard, [name of Supplier] agrees to indemnify GoP for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to GoP in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by [name of 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 from GoP.

Name of Buyer:

Name of Seller/Supplier:

Signature:

Signature:

[Seal]

[Seal]

SCHEDULE – K TO BID

ESTIMATED PROGRESS PAYMENTS

Bidder's estimate of the value of work which would be executed by him during each of the periods stated below, based on his Programme of Works and the Rates in the Schedule of Prices, expressed in foreign and local currency of payments:

Period	Amounts
	(Rs.)
Ist Month	
2 nd Month	
3 rd Month	
4 th Month	
5 th Month	
6 th Month	
Total Bid Price	

Initials of Signatory to Bid:

SCHEDULE -L TO BID**LUMPSUM COST BREAKUP FOR MAJOR COST ITEMS**

The Bidder is to provide a detailed breakup of his Lumpsum costs in a manner that the overall picture for the quoted price can be understood. It should include major heading wise cost breakup including rate analyses for atleast 6 major cost items as required to analyze it.

SCHEDULE OF PRICES

TENTATIVE SCHEDULE OF PRICES

1. Preamble to Tentative Schedule of Prices

a. Summary of Bid Prices: (To be filled in by EPC Contractor)

b. Tentative Schedule

Item	Description of Milestone/deliverable	%age Payment	Breakup of Column 3	Price in Rupees
1	2	3	4	5
A. DESIGN PHASE				
Schedule No.1		6.5%	5%	
Schedule No.2			10%	
Schedule No.3			10%	
Schedule No.4			10%	
Schedule No.5			2%	
Schedule No.6			8%	
Schedule No.7			55%	
Schedule No.8	Sub-Total (A)		100%	
B. *CONSTRUCTION PHASE				
Schedule No.9	94.5%		
Schedule No.10	Sub-Total (B)		100%	
Schedule No.11	GRANT TOTAL	100%		

**To be developed with mutual consultation of client and EPC contractor.*

**PREAMBLE TO CONDITIONS OF
CONTRACT**

PREAMBLE TO CONDITIONS OF CONTRACT

- Commencement** Sub-Clause 1.1.1.(i)
Date The date for commencement of the Works is the date of issuance of the Project Manager/Engineer's Written Order to Commence which shall be issued within 14 days of signing of Contract Agreement and also site possession has been delivered.
- Defect Liability** Sub-Clause 1.1.11
Period The Defect Liability Period is 365 days after the date certified in the Taking-Over Certificate but subject to extension as provided under Sub-Clause 30.4.
- The defects at site considering structural stability, physical appearance and precautionary measures shall be identified by the Employer's Representative.
- The Employer** Sub-Clause 1.1.12.
 The Employer is
- The Project Manager/Engineer** Sub-Clause 1.1.15.
 The Project Manager is *[insert name and complete address of the Project Manager]* and the Engineer is *[insert name and complete address of the Engineer]*

or any competent person/firm/authority appointed by the Employer, and notified to the Contractor.
- Time for Completion** Sub-Clause 1.1.35.
 The Time for Completion for whole of the Works is **180** days reckoned from the Commencement Date for the project. Separate date if different part/section of the projects are desired to be completed at different periods.
- Warranty Period** Sub-Clause 1.1.40.
 The Warranty Period is **one** year for (goods/equipment)
- Project Manager/Engineer's Duties & Authorities** Sub-Clause 2.1
 The duties & authorities of the Project Manager/Engineer are specified in Particular Conditions of Contract.
- Confirmation in Writing** Sub-Clause 2.6
 (i) The Contractor shall notify to the Project Manager/Engineer within ten (10) days, if he requires any confirmation.
 (ii) Project Manager/Engineer shall confirm the decision/instruction

within ten (10) days of the requirement.

- Ruling Language** Sub-Clause 5.1.
The version in English language (ruling language) shall prevail.
- Day to Day Communications** Sub-Clause 5.2.
The language for day to day communication is English.
- As Built-Drawings** Sub-Clause 6.10
As-Built drawings shall be provided to the Project Manager/Engineer within thirty (30) days from the date of issue of Taking-Over Certificate.
- Programme to be Furnished** Sub-Clause 12.1.
The Programme must be submitted in the form of Bar-Chart with critical path/activities for individual activities and overall Project.
- Employer's Equipment** Sub-Clause 14.4.
There will be no Employer's Equipment available for use by the Contractor.
- Working Hours** Sub-Clause 18.3.
The normal working hours on the Site are to conform to the applicable labour laws and the existing customs of Pakistan.
- Time for Completion** Sub-Clause 25.1
Period of Completion is as stated under Sub-Clause 1.1.35 hereof.
- Earlier Completion** Sub-Clause 26.3
(i) Amount of Bonus per day _____
(ii) Max. Amount of Bonus _____
Sub-Clause 27.1.
- Delay in Completion** Failure of the Contractor to meet the Time for Completion entitles the Employer to deduct from the Contract Price, the liquidated damages @ 0.05 % percent of the Contract Price as stated in Letter of Acceptance, excluding Provisional Sums for each and every day, including holidays, of delay or part thereof; but to a maximum limit of 10 % of the Contract Price as stated in Letter of Acceptance, excluding Provisional Sums.
- Prolonged Delay** Sub-Clause 27.2.
Maximum amount recoverable from the Contractor by the Employer shall be 10% of Contract Price as stated in the Letter of Acceptance, excluding Provisional Sum.
- Terms of Payment** Sub-Clause 33.1.
In addition to the provisions under Clause 33, the terms of payment shall be as stated in Sub-Clause 33.1 of Particular Conditions of Contract.
- Payment in Foreign Currencies** Sub-Clause 35.1.
Payment will only be made in local currency [*Employer may change it*].

- Insurance of Works** Sub-Clause 43.1.
The amount of insurance shall be for full replacement value of the Works. For the deductibles, if any, the Contractor shall submit an undertaking that he shall indemnify and keep indemnified the Employer for the amount of deductibles provided in the insurance policy.
- Sub-Clause 43.1.(a)
The additional risks to be insured are as stated in Sub-Clause 43.1(a) of the Particular Conditions of Contract.
- Third Party Liability** Sub-Clause 43.3.
The amount of insurance against third party liability taken out by the Contractor shall not be less than Pak Rs. 300,000 per occurrence with number of occurrences unlimited.
- Payment on Termination for Employer's Default** Sub-Clause 46.3.
The additional amount payable by the Employer on termination shall not exceed the actual cost of work executed.
- Labour, Materials and Transport** Sub-Clause 47.1.
The Contract shall be subject to price adjustment. The method of calculating adjustments for change in costs shall be: *[The user may extract the formula:*
- i. from Sub-Clause 70.1 of PCC of PEC Civil Works Bidding Documents.*
 - ii. with reference to PEC Documents "Standard Guidelines and Formula for Price Adjustment".*
 - iii. from Sub-Clause 15.2 of GCC of PEC Bidding Documents for Supply of Goods.]*
- Notices to Project Manager/Engineer** Sub-Clause 49.2.
The address of the Employer for notices is the same as given in Sub-Clause 1.1.12 here above.
- The address of the Project Manager/Engineer for notices is the same as given in Sub-Clause 1.1.15 here above.
- Applicable Law** Sub-Clause 51.1.
The Contract in all respects be read and construed and shall operate as a Pakistani Contract in conformity with the Laws of Islamic Republic of Pakistan.
- Procedural Law for Arbitration** Sub-Clause 51.2.
The procedural law for arbitration shall be the Rules of Pakistan Arbitration Act 1940 as amended.
- Language and Place of Arbitration** Sub-Clause 51.3.
The language of arbitration is English.
The place of arbitration is Rahim Yar Khan, Islamic Republic of Pakistan.

GENERAL CONDITIONS OF CONTRACT

[Conditions of Contract Part-I]**GENERAL CONDITIONS**

The General Conditions shall be those of “Conditions of Contract for EPC/Turnkey Projects”, 1987 Edition reprinted 1988 with editorial amendment, prepared by the Federation Internationale des Ingenieurs-Conseils, or FIDIC. These General Conditions are subject to the amendments and additions set out in the Particular Conditions.

These General Conditions are available from:

	FIDIC
	P.O. BOX 311
	1215 Geneva 15
	Switzerland
Phone:	+41 22 7994905
Fax:	+41 22 7994901
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**PARTICULAR CONDITIONS
OF
CONTRACT**

Part-II: Particular Conditions of Contract

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PART-II: PARTICULAR CONDITIONS OF CONTRACT

These Conditions of Particular Application Part-II are additions, deletions and amendment to General Conditions of Contract Part-I. Clause Nos., if similar as of Part-I are amendments therein otherwise these are additional clauses or sub-clauses thereto.

This Contract is a single responsibility EPC/Turnkey Contract for all the purposes. Any mentions or descriptions and intents in this Contract Agreement which are contrary to the spirit of EPC/Turnkey Contract shall be ignored.

1.1 Definitions

The text of Sub-Clause 1.1.1 is deleted and substituted by the following:

“Commencement Date” means the date specified in the Preamble to Conditions of Contract.

The text of Sub-Clause 1.1.2 is deleted and substituted by the following:

“Conditions” means the Preamble to Conditions of Contract, General Conditions of Contract (GCC) and Particular Conditions of Contract (PCC).

Sub-Clause 1.1.3

At the end of Sub-Clause, the following is added:

“Any subsequent document mutually agreed and signed by the Employer and the Contractor, shall be the part of the Contract.”

Sub-Clause 1.1.5

The text of Sub-Clause 1.1.5 is deleted and substituted by the following:

“Contract Price” means the sum stated in the Letter of Acceptance as payable to the Contractor for the design, execution and completion of the Works subject to such additions thereto or deductions therefrom as may be made under the provisions hereinafter contained and remedying of any defects therein in accordance with the provisions of the Contract”.

Sub-Clause 1.1.11

The Defects Liability Period is the period mentioned in the Preamble to Conditions of Contract.

Sub-Clause 1.1.15

The following is added at the beginning of this Sub-Clause:

“For the purpose of this EPC/Turnkey Contract, based on two party agreement, the term Engineer is construed as Project Manager/Engineer. The Project Manager is a Person appointed by the Employer to act on behalf of the Employer for the purpose of the Contract whereas the Engineer has the same meaning as defined in GCC Sub-Clause 1.1.15.”

The following is added at the end of the Sub-Clause:

“or any other competent person appointed by the Employer as his replacement.”

Sub-Clause 1.1.16

The term “Engineer’s Representative” is replaced with the term “Project Manager/Engineer’s Representative”.

Sub-Clause 1.1.23

The following paragraph is added:

The word ‘Good’ is synonymous with the word “Plant”.

The text of **Sub-Clause 1.1.27** is deleted and substituted by the following:

“Schedule of Prices” means the completed and priced Schedule of Prices, or any part or individual schedule thereof, submitted by the Contractor with his Bid or revised and mutually agreed and forming a part of the Contract Documents.

Add the following at the end of Sub-Clause 1.1.33:

The word “Tender” is synonymous with the word “Bid” and the word ‘Tender Documents’ with “Bidding Documents” including technical bid is also part of it.

The following new Sub-Clauses 1.1.38 to 1.1.49 are added:

1.1.38 “Month” means calendar month according to Gregorian calendar.

1.1.39 “Operation and Maintenance Manuals” has the meaning described in Sub-Clause 6.6.”

1.1.40 “Warranty Certificate” means the certificate against specified goods/equipment, for the period mentioned in the Preamble to Conditions of Contract, to be issued by the Contractor that the goods/equipment supplied under the Contract are new, unused and incorporate all recent improvements in design and materials unless provided otherwise in the Contract and that the Contractor will be responsible for making good or replacing any defective goods/equipment during the Warranty Period specified in the Preamble to Conditions of Contract which should commence after expiry of Defect Liability Period.

Sub-Clause 1.1.41

The word ‘Part II’ wherever appearing in FIDIC Conditions of Contract is synonymous with the words “Particular Conditions of Contract”.

Sub-Clause 1.1.42

The words ‘Local Goods’ is synonymous with the words “Indigenous Goods” and the word ‘Installation’ with “Erection”.

Sub-Clause 1.1.43

“EPC/Turnkey Basis” means where the Contractor takes total responsibility for design and execution of the project with little involvement of the Employer. Under the usual arrangements of turnkey projects the contractor carries out all the Engineering, Procurement and Construction (EPC) providing a fully equipped facility ready for operation.

Total responsibility of the Contractor include; but not limited to; design, supply, installation and commissioning of all mechanical and electrical equipment, civil and other works necessary for the completion and commercial operation of the Plant and shall include all such items of Plant and equipment or work, whether mentioned in the Specifications, Bid drawings, Schedule of Prices or not, which are required to make the Plant operationally complete in accordance with the guarantees prescribed under the Contract

Sub-Clause 1.1.44

“Constructional Plant” means all appliances or things of whatsoever nature (other than Temporary Works) required for execution and completion of the Works and the remedying of any defects therein but does not include Plant, materials or other things intended to form or forming part of Permanent Works. The word ‘Constructional Plant’ is synonymous with “Contractor’s Equipment”.

Sub-Clause 1.1.45

“Contractor’s Agent” means the person for the time being or from time to time appointed by the Contractor pursuant to the provisions of Clause 13. The word “Contractor’s Agent” is synonymous with “Contractor’s Representative”.

Sub-Clause 1.1.46

“Performance Tests” means tests intended to demonstrate the attainment of guaranteed contract performance to be conducted in accordance with the requirement of the Specifications.

Sub-Clause 1.1.47

“Reliability Test” means such test or tests as are provided for in the Contract, or as may be agreed upon, which shall be successfully completed as a pre-requisite to Taking Over.

Sub-Clause 1.1.48

“Temporary Works” means all temporary works of every kind (other than Contractor’s Equipment) required in or about the execution and completion of the Works and the remedying of any defects therein.

Sub-Clause 1.1.49

“Permanent Works” means the permanent works to be executed (including Plant) in accordance with the Contract.

Sub-Clause 1.6 Costs, Overhead Charges and Profit

The last sentence “Any profit _____ stated in the Preamble” is deleted and substituted by the following:

“Any profit entitlement shall be added to cost at the percentage stated in the Bid and agreed in the Contract Agreement.”

Sub-Clause 2.1 Project Manager/Engineer’s Duties

The text of Sub-Clause 2.1 is deleted and substituted by the following:

“The Project Manager/Engineer shall carry out the duties specified in the Contract.

The Project Manager/Engineer may exercise the authority attributable to the Project Manager/Engineer as specified in or necessarily to be implied from the Contract. The Project Manager/Engineer is required to obtain the specific approval of the Employer before carrying out his duties in accordance with the following Clauses of General Conditions of Contract (GCC):

- (a) approval of Subcontractor under Sub-Clause 4.1,
- (b) certifying additional sums under Sub-Clause 5.4,
- (c) certifying additional costs under Sub-Clauses 11.3 & 12.3,
- (d) certifying any cost under Sub-Clause 14.6,
- (e) approval of extension of time under Clause 26,
- (f) issuing a Taking-Over Certificate under Sub-Clause 29,
- (g) issuing a Defects Liability Certificate under Sub-Clause 30.11,
- (h) issuing a Variation Order under Clause 31,
- (i) fixing rates or prices under Clauses 31 and 34,
- (j) certifying additional costs under Sub-Clause 44.5 and
- (k) certifying additional costs under Sub-Clause 47.2;

Except for such variations pursuant to Sub-Clause 31.1 of the GCC which may be necessary in an emergency affecting safety of life, the Works or of adjoining property.

Except as expressly stated in the Contract, the Project Manager/Engineer shall have no authority to relieve the Contractor of any of his obligations under the Contract.”

Sub-Clause 2.6 Confirmation in Writing

- (i) In line 3 after the words “undue delay” the following is added:
“but not after the number of days mentioned in the Preamble to Conditions of Contract from the instruction or decision”.
- (ii) At the end of Sub-Clause 2.6, the following is added:

“The Project Manager/Engineer shall confirm or otherwise within the period mentioned in the Preamble to Conditions of Contract from the receipt of requirement(s) from the Contractor”.

Sub-Clause 2.8 Replacement of Project Manager/Engineer

The text of Sub-Clause 2.8 is deleted in its entirety and substituted by the following:

“If the Employer intends to replace the Project Manager/Engineer, the Employer shall, not less than fourteen (14) days before the intended date of replacement, give notice to the Contractor, of the name, address and relevant experience of the intended replacement Project Manager/Engineer. The Employer shall not replace the Project Manager/Engineer with a person against whom the Contractor raises reasonable objection by notice to the Employer, with supporting particulars.”

The following new Sub-Clause 2.9 is added:

“Sub-Clause 2.9 Project Manager/Engineer Not Liable

Approval, reviews and inspection by the Project Manager/Engineer of any part of the Works does not relieve the Contractor from his sole responsibility and liability for the supply of remaining materials and equipment for the Works and parts thereof and complete the remaining erection works and testing and commissioning in accordance with the Contract and neither the Project Manager/Engineer's authority to act nor any decision made by him in good faith as provided for under this Contract whether to exercise or not to exercise such authority shall give rise to any duty or responsibility of the Project Manager/Engineer to the Contractor, any Subcontractor, any of their representatives or employees or any other person performing any of the Works. However the Contractor shall be compensated if any loss/damage is occurred due to the decision of the Project Manager/Engineer.”

The following new Sub-Clause 4.2 is added:

“Sub-Clause 4.2 No Contractual Relation between Subcontractor and the Employer

Nothing contained in the Contract Documents shall create any contractual relation between any Subcontractor and the Employer.”

Sub-Clause 5.3 Priority of Contract Documents

The text of Sub-Clause 5.3 is deleted and substituted by the following:

“Unless otherwise provided in the Contract, the priority of the Contract Documents shall be as follows:

1. The Contract Agreement (if completed)
2. The Letter of Acceptance
3. The completed Letters of Technical and Price Bids
4. Preamble to Conditions of Contract
5. The Particular Conditions of Contract
6. The General Conditions of Contract
7. The priced Schedule of Prices
8. The completed Schedules to Bid (A to L)
9. The Specifications
10. The Drawings
11. Any other document forming part of the Contract.

In case of discrepancies between drawings, those of larger scale shall govern unless they are superseded by drawing(s) of a later date regardless of scale. All drawings and specifications shall be interpreted in conformity with the Contract Agreement and these conditions.”

Sub-Clause 5.4 Documents Mutually Explanatory

The text appearing in the last line after the words “the Contract Price” is deleted and the following text is added:

“The Technical Specifications are taken to be correct, but complete accuracy is not guaranteed. Any error or ambiguity must be reported to the Employer and the Project Manager/Engineer before starting the work affected. In the event of any dispute arising as to the true intended meaning of Technical Specification, the Project Manager/Engineer shall interpret the same and his interpretation shall be accepted as final and binding upon all parties concerned, except to the extent provided for in the Arbitration provisions hereof.”

Sub-Clause 6.2 Consequences of Disapproval of Contractor's Drawings

Full stop in the last line is deleted and the following words are added at the end of the Sub-Clause: “for the approval of the Project Manager/Engineer. However, the Contractor shall not be entitled for time extension on this account”.

Sub-Clause 6.6. Operation and Maintenance Manuals

Paras 2 & 3 are deleted and the following text is added at the end of Para 1 of Sub-Clause:

“The Operation and Maintenance Manuals shall include full instructions for the operation, servicing and maintenance of the Plant, not only during the period of the Contractor's liability but more particularly during its operating life.

The directions shall be set out simply, clearly and systematically. This may be divided into two volumes if desirable, one for operation and the second for servicing and maintenance (in sub-volumes for major items of Plant).

The operational data shall include a complete physical and functional description of the Plant (in sub-volumes for major items of Plant) and step-by-step procedures for inspection, checking and adjustments for proper operation of the Plant.

The maintenance data shall include complete instructions for routine checks, servicing, maintenance and repair of all parts and for dismantling, handling and re-assembly of all equipment, sub-assemblies and all separate components. The maintenance data shall also include where possible parts catalogues. The lists shall provide all necessary information for identifying the parts and for re-ordering the parts including name of part, part number and catalogue references where applicable, name of manufacturer, size, capacity and other characteristics.

General arrangements, single line diagrams and detailed drawings shall be provided for ready reference in the operation and maintenance instructions.

The manuals shall be printed on ISO paper size A4 (210x297 mm) with offset or equivalent printing strongly bound in a durable stiff cover bearing the title in approved legend. Drawings shall be folded or reduced to 297 mm height. All volumes shall bear on the spine an approved shortened version of the title.

The Contractor shall submit three (3) draft copies for approval of the Project Manager/Engineer prior to producing finished volumes.

The Contractor shall provide seven (7) copies of the approved Operation and Maintenance Manuals prior to Taking Over by the Employer. Supplementary Operation and Maintenance Manual shall be provided by the Contractor, if required, to incorporate changes resulting from experience during the operation and maintenance period. The work shall not be considered to be completed for the purpose of taking over until such manual and drawings have been supplied to the Employer.”

Sub-Clause 6.9 Manufacturing Drawings

The words “Unless otherwise specified in Part-II” are deleted and the following is added at the end of Sub-Clause:

“However, the Contractor is required to disclose to the Project Manager/Engineer or the Employer any confidential information necessary to justify the reliability, the efficiency and the operation and maintenance of the Plant supplied by him.”

The following new Sub-Clauses 6.10 and 6.11 are added:

Sub-Clause 6.10 “As-Built” Drawings

The Contractor shall furnish to the Project Manager/Engineer six (6) copies and one (1) reproducible of approved quality of all “As-Built” drawings within the period mentioned in the Preamble to Conditions of Contract. All drawings shall also be provided in an electronic form (CD).

Sub-Clause 6.11 Shop Drawings

The Contractor shall submit to the Project Manager/Engineer for review three (3) copies of all shop and site erection work drawings in 1:4 scale seeking approval of the Project Manager/Engineer.

Review and approval by the Project Manager/Engineer shall not be construed as a complete check but will indicate only that the general method of construction and detailing is satisfactory and that the Project Manager/Engineer’s review or approval shall not relieve the Contractor of any of his responsibilities under the Contract.”

Sub-Clause 8.1 General Obligations

The text of Sub-Clause 8.1 is deleted and substituted by the following:

- “(a) The Contractor shall commence the work on the date specified in the Preamble to Conditions of Contract and shall proceed with the same with due expedition and without delay.
- (b) The Contractor shall, in accordance with the Contract, with due care and diligence, complete the Works and test and commission the Plant and carry out the Works within the Time for Completion. The Contractor shall also provide all necessary Contractor's Equipment, superintendence, labour and except as stated herein below, all necessary facilities therefor.

The Employer will permit use of the Erection and Testing Equipment and Maintenance Tools as given in the Preamble to Conditions of Contract.

The above facilities shall be provided at no cost to the Contractor but he shall procure at his cost all required consumable materials and any other items necessary for the proper execution of the Works. These shall be properly used and maintained by the Contractor and returned to the Employer upon handing over of the Works in good condition, fair wear and tear excepted. In case of any damage, loss or theft, the items shall be replaced by the Contractor at his own cost.”

Sub-Clause 10.1 Performance Security

The text of Sub-Clause 10.1 is deleted and substituted by the following:

“The Contractor shall provide a Performance Security in the prescribed Form annexed to these Documents. The said Security shall be furnished by the Contractor within twenty-eight (28) days after the receipt of Letter of Acceptance. The Performance Security shall be of an amount equal to 10 percent of the Contract Price in the currency (ies) of the Contract in the form of Bank Guarantee from any Scheduled Bank of Pakistan or from a bank located outside Pakistan duly counter-guaranteed by a Scheduled Bank of Pakistan or from any Insurance Company enlisted in Category AA with PACRA or JCR.

The performance security shall be valid for twenty-eight (28) days beyond defect liability period and the amount shall be reduced to 5% during defects liability period.

The cost of complying with the requirements of this Sub-Clause shall be borne by the Contractor”.

Sub-Clause 10.3 Claims under Performance Security

Sub-Clause 10.3 is deleted in its entirety.

The following new Sub Clause 10.4 is added:

Sub-Clause 10.4 Performance Security Binding on Variations and Changes

“The Performance Security shall be binding irrespective of variations and changes in the quantities of the Works or extensions in completion time of the Works, which are granted or agreed upon under the provisions of the Contract.”

Sub-Clause 11.1 Site Data

The following paragraphs are added at the end of Sub-Clause:

“The Contractor shall satisfy himself as to the nature of the ground, the hydrological and climatic conditions, the form and nature of the Site, the quantities and nature of the Work and materials necessary for the completion of the Works, and the means of access to the Site, the accommodation he may require and in general shall himself obtain all necessary information as to risks, contingencies, and other circumstances which may influence or affect his Bid.

The Employer does not guarantee the correctness of any data/information/drawings either verbal and/or written provided herein nor any interpretations, deductions or conclusions relative to conditions at Site. The Contractor must form his own opinion of the character of the work and of the materials to be excavated etc. He must make his own interpretations, and satisfy himself by his own investigations and research regarding all conditions affecting the work to be done. The Contractor must assume all responsibility for deductions and conclusions as to the nature or conditions of the materials to be excavated and of doing other work affected by the geology at the Site.”

Sub-Clause 12.1 Programme to be Furnished

(1) The text of Sub-Clause 12.1(a) is deleted and substituted by the following:

“(a) the order in which the Contractor proposes to carry out the Works (including preliminaries, required material ordering, delivery to Site, construction, erection and rectifications work, testing, commissioning of the Plant including design and construction of associated civil works and taking-over by the Employer). The programme on critical activity

based format and resource planning schedule shall be prepared. The programme shall also include the following:

- (i) Employment of local and expatriate labour of various categories;
 - (ii) Local material procurement; and
 - (iii) Material imports, if any.”
- (2) The text of Sub-Clause 12.1(c) is deleted and substituted by the following:
“(c) The Contractor requires the Employer:
- (i) to furnish any Employer’s Drawings;
 - (ii) to provide access to the Site;
 - (iii) to have completed the civil engineering works; and
 - (iv) to have obtained consents, way leaves and approvals necessary for the purpose of the Works.”
- (3) The second last sentence of Sub-Clause 12.1 is deleted and substituted by the following:
“The programme is to be furnished by the Contractor within twenty eight (28) days from the date of receipt of Letter of Acceptance. Rs..... per day as delay damages shall be deducted for delay beyond this period. “The Project Manager/Engineer” proposed changes/modifications may also be incorporated and revised program shall be submitted within fifteen (15) days.”

The following new Sub-Clauses 12.4 and 12.5 are added:

Sub-Clause 12.4 Monthly Progress Report

During the period of the Contract, the Contractor shall submit six (6) sets of monthly progress report to the Project Manager/Engineer not later than the 8th day of each month including:

- (i) a construction schedule indicating the progress achieved during the preceding month;
- (ii) description of all work carried out since the last report;
- (iii) description of the work planned for the next forty-two (42) days sufficiently detailed to enable the Project Manager/Engineer to determine his programme of inspection and testing;
- (iv) summary of daily job record for the preceding month;
- (v) colour digital photographs to illustrate progress.

Sub-Clause 12.5 Daily Job Record

“During the period of the Contract, the Contractor shall keep a daily record of the work progress, which shall be made available to the Project Manager/Engineer as and when requested.

The daily record shall include particulars of weather conditions, number of men working in different categories, deliveries of materials, quantity, location and assignment of equipment.”

Sub-Clause 13.1 Contractor's Representative

At the end of the Sub-Clause, the following is added:

“The Contractor's Representative shall be a competent and skilled person approved by the Project Manager/Engineer (which approval may at any time be withdrawn). He shall be present on the Site during all working hours and shall not be transferred from the Site without the consent of the Project Manager/Engineer. The Contractor's Representative shall be a registered professional engineer as defined in the Pakistan Engineering Council Act 1975 (V of 1976).”

The following new Sub-Clauses 13.3 and 13.4 are added:

Sub-Clause 13.3 Language Ability of Superintending Staff of Contractor

A reasonable proportion of the Contractor's superintending staff shall have a working knowledge of the English language.

Sub-Clause 13.4 Employment of Local Personnel

“The Contractor shall, to the extent practicable and reasonable, employ staff and labour from sources within Pakistan.”

Sub-Clause 14.1 Contractor's Equipment

Replace the word “or” at the end of Sub-paragraph (a) by “and” and insert the following at the end of Sub-paragraph (b):

“which shall not be unreasonably withheld.”

Sub-Clause 14.2 Safety Precautions

At the end of the Sub-Clause, the following is added:

“In order to provide for the safety, health and welfare of persons, and for prevention of damage of any kind, all operations for the purposes of or in connection with the Contract shall be carried out in compliance with the safety requirements of the Government of Pakistan with such modifications thereto as the Project Manager/Engineer may authorize or direct and the Contractor shall take or cause to be taken such further measures and comply with such further requirements as the Project Manager/Engineer may determine to be reasonably necessary for such purpose.

The Contractor shall make, maintain, and submit reports to the Project Manager/Engineer concerning safety, health and welfare of persons and damage to property as the Project Manager/Engineer may from time to time prescribe.”

Sub-Clause 14.3 Electricity, Water and Gas

The text of Sub-Clause 14.3 is deleted and substituted by the following:

“The Contractor shall be responsible for making his own arrangements for the adequate supply of electricity, water and gas required for the effective performance of his obligations under the Contract. Subject to the aforesaid, the Contractor shall be entitled to use for the purposes of the Works such supplies and services as may be available on the Site. The Contractor shall, before the commencement of the work at Site, seek the approval of the Project Manager/Engineer as to his

detailed requirements of electricity, water and gas for the entire Contract period. The Contractor shall pay the Employer at the rates/cost incurred by the Employer. The Contractor shall at his own cost provide any apparatus necessary for such use". The contractor will bear the cost of distribution network for electricity, potable water, telephone, gas and their consumption by his own personnel for the purpose of the work."

Sub-Clause 14.4 Employer's Equipment

The text of Sub-Clause 14.4 is deleted and substituted by the following:

"The Employer shall, if the Contractor so requests for the execution of the works, operate any available equipment of which details are given in the Preamble to Conditions of Contract. The Contractor shall pay the Employer a mutually agreed price for such use.

The Employer shall during such operation retain control of and be responsible for the safe working of the equipment."

Sub-Clause 14.8 Information for Import Permits & Licenses

The text of Sub-Clause 14.8 is deleted and substituted by the following:

"The Contractor shall submit to the Employer in good time such details of all Plant and Contractor's Equipment to be imported into Pakistan and identify as to what assistance of the Employer is required for obtaining by the Contractor of all necessary import permits or licenses".

Sub-Clause 15.2 Compliance with Laws

The text of Sub-Clause 15.2 is deleted and substituted by the following:

"The Contractor shall comply with the Laws of country of manufacture and the Laws of Pakistan where the Plant is to be erected".

The following new Sub-Clauses 16.4 and 16.5 are added:

Sub-Clause 16.4 Photographs of Works and Advertisement Prohibited

Except with the prior written authorization of the Employer the Contractor shall not exhibit or permit to be exhibited any photographs or advertisement on the Works. Any authorized exhibition shall be immediately removed if the Employer so requires.

Sub-Clause 16.5 Training of Employer's/Consultant's Staff

The Contractor shall provide such facilities for the training of such numbers of Pakistani engineers, engineering students, apprentices and trade apprentices on such sections of the Works at the Site or on the Contractor's premises or Contractor selected plant manufacturer's premises and factories, or wherever else work is in hand, as specified or directed by the Project Manager/Engineer. The Employer shall direct what sums by way of wages and allowances are to be paid by the Contractor to such persons and shall reimburse the Contractor for such sums as are so directed to be paid and are paid. The Contractor shall also provide medical expenses or medical insurance and travelling expenses for trainees if required by the Employer which shall be reimbursed by the Employer.

The language of training at the above stated premises shall be English and Urdu.”

Sub-Clause 17.4 Consents and Way Leaves

The text of Sub-Clause 17.4 is deleted and substituted by the following:

“The Employer shall issue permissions, letters, certificates and provide such other assistance to the Contractor for his obtaining permits-to-work, way leaves and approvals from any other department/authority and right of way from private owners, if required. The Contractor will bear the cost of logistics, fees, etc. for such activities. The Employer, will reimburse the Contractor only the payments made by him in respect of any land compensation for obtaining such way leaves, required for the Works.”

Sub-Clause 17.5 – Import Permits and Licences

The word “Employer” is deleted and substituted by the word “Contractor” and the following is added at the end of Sub-Clause 17.5:

“The Employer will provide assistance for this purpose.”

Sub-Clause 18.1 – Engagement of Labour

At the end of the Clause the following is added:

“in accordance with the regulations, orders and requirements of the Government of Pakistan”.

The following new Sub-Clauses 18.5 to 18.16 are added:

Sub-Clause 18.5 Employment of Persons in the Service of Others

The Contractor shall not recruit or attempt to recruit his staff and labour from amongst the persons in the service of the Employer or the Project Manager/Engineer and vice-versa, unless mutually agreed between the Employer/Project Manager/Engineer and the Contractor.

Sub-Clause 18.6 Alcoholic Liquor or Drugs

The Contractor shall not, otherwise than in accordance with the statutes, Ordinances and Government Regulations or Orders for the time being in force, import, sell, give, barter or otherwise dispose of any alcoholic liquor or drugs, or permit or suffer any such importation, sale gift, barter or disposal by his Subcontractors, agents, employees or labour.

Sub-Clause 18.7 Arms and Ammunition

The Contractor shall not give, barter or otherwise dispose of to any person or persons, any arms or ammunition of any kind or permit or suffer the same as aforesaid.

Sub-Clause 18.8 Festivals and Religious Customs

The Contractor shall in all dealings with his staff and labour have due regard to all recognized festivals, days of rest and religious or other customs.

Sub-Clause 18.9 Disorderly Conduct

The Contractor shall at all times take all reasonable precautions to prevent any unlawful riotous or disorderly conduct by or amongst his staff and labour and for the preservation of peace and protection of persons and property in the neighborhood of the Works against the same.

Sub-Clause 18.10 Records of Safety and Health

The Contractor shall maintain such records and make such reports concerning safety, health and welfare of persons and damage to property as the Project Manager/Engineer may from time to time prescribe.

Sub-Clause 18.11 Reporting of Accidents

The Contractor shall report to the Project Manager/Engineer details of any accident as soon as possible after its occurrence. In the case of any fatality or serious accident, the Contractor shall, in addition to appropriate action required under the law, notify the Project Manager/Engineer immediately by the quickest available means.

Sub-Clause 18.12 Compliance by Subcontractors

The Contractor shall be responsible for compliance by his Subcontractors of the foregoing provisions.

Sub-Clause 18.13 Housing for Labour

Save insofar as the Contract otherwise provides, the Contractor shall provide and maintain such housing accommodation and amenities as he may consider necessary for all his supervisory staff and labour, employed for the purposes of or in connection with the Contract including all fencing, electricity supply, sanitation, cookhouses, fire prevention, water supply and other requirements in connection with such housing accommodation or amenities. On completion of the Contract, these facilities shall be handed over to the Employer or if the Employer so desires, the temporary camps or housing provided by the Contractor shall be removed and the Site reinstated to its original condition, all to the approval of the Project Manager/Engineer.

Sub-Clause 18.14 Epidemics

In the event of any outbreak of illness of an epidemic nature, the Contractor shall comply with and carry out such regulations, orders and requirements as may be made by the Government, or the local medical or sanitary authorities, for purpose of dealing with and overcoming the same.

Sub-Clause 18.15 Supply of Water

The Contractor shall, so far as is reasonably practicable, having regard to local conditions, provide on the Site, to the satisfaction of the Project Manager/Engineer or his representative, adequate supply of drinking and other water for the use of his staff and labour.

Sub-Clause 18.16 Compliance by Subcontractors

The Contractor shall be responsible for compliance by his Subcontractors of the foregoing provisions.”

Sub-Clause 19.1 Manner of Execution

The following is added at the end of Sub-Clause:

“The Contractor shall submit for approval of the Project Manager/Engineer, his detailed method statement(s) for the execution of such items of work as may be desired by the Project Manager/Engineer. Approval of such method statement(s) shall neither relieve the Contractor of his responsibilities under the Contract nor form any basis for claiming additional costs.”

Sub-Clause 19.3 Uncovering Work

The following is added at the end of second paragraph of Sub-Clause 19.3:

“In any other case, all costs shall be borne by the Contractor.”

The following new Sub-Clause 19.4 is added:

Sub-Clause 19.4 Use of Pakistani Materials

“The Contractor shall so far as may be consistent with the Contract make the maximum use of materials, supplies and equipment indigenous to or produced in Pakistan and services available in Pakistan or operated in Pakistan provided such materials, supplies, equipment and services shall be of required standard.”

The following new Sub-Clause 20.6 is added:

Sub-Clause 20.6 Witnessing of Factory Acceptance Tests (as applicable):

Factory acceptance tests shall be witnessed by the personnel (one each) of the Employer and the Project Manager/Engineer. All costs in connection with witnessing of the factory acceptance tests by the Employer and the Project Manager/Engineer shall be borne by the Contractor. These shall include the costs of air travel (economy class) from Pakistan to place of inspection/testing and back, hotel accommodation/boarding/lodging (as per actual), inland transportation and daily allowance @ US Dollars 100 per day per person for inspection/testing to be conducted outside Pakistan and Rs. 5000 per day per person [besides other costs of travelling and lodging etc. (as above)] for inspection/testing to be conducted inside Pakistan for each visit of every person to witness these tests.

Sub-Clause 24.1 Cost of Suspension

At the end of the second paragraph after the word “Contractor” the following is added:

“or for the proper execution or for the safety of the Works or Plant unless such necessity results from any act or default of the Project Manager/Engineer or the Employer or in consequence of any of the Employer's Risks under Sub-Clause 37.2.”

Sub-Clause 24.4 Resumption of Work

First paragraph of Sub-Clause 24.4 is deleted and substituted by the following:

“If the Contractor chooses not to treat prolonged suspension as an omission or termination under

Sub-Clause 24.3, the Employer shall, upon the request of the Contractor, take over the responsibility for protection, storage, security and insurance of the suspended Works and of the Plant which has been delivered to the Site and which is affected by suspension and the risk of loss or damage thereto shall thereupon pass to the Employer”.

Sub-Clause 25.1 Time for Completion

The text of Sub-Clause 25.1 is deleted and substituted by the following:

“The Works at the place of the project mentioned in the Preamble to Conditions of Contract shall be completed tested and commissioned within the period mentioned in the Preamble to Conditions of Contract.”

Sub-Clause 26.1 Extension of Time for Completion

Sub-Clause 26.1(h) is deleted.

Sub-Clause 26.3 Earlier Completion

- (i) At the end of Sub-Clause 26.3(a) the following text is added and Clause is re-designated as 26.3.

“The extra sum to be paid to the Contractor for Completion of Works prior to the date of Completion established under Sub-Clause 25.1 shall be computed on the basis of the sums mentioned in the Preamble to Conditions of Contract.”

- (ii) Sub-Clause 26.3 (b) is deleted.

The following new Sub-Clause 26.4 is added:

Sub-Clause 26.4 Rate of Progress

“If for any reason, which does not entitle the Contractor to an extension of time, the rate of progress of the Works or any Section is at any time, in the opinion of the Project Manager/Engineer, too slow to comply with the Time for Completion, the Project Manager/Engineer shall so notify the Contractor who shall thereupon take such steps as are necessary, subject to the consent of the Project Manager/Engineer, to expedite progress so as to comply with the Time for Completion. The Contractor shall not be entitled to any additional payment for taking such steps. If, as a result of any notice given by the Project Manager/Engineer under this Clause, the Contractor considers that it is necessary to do any work at night or on locally recognized days of rest, he shall be entitled to seek the consent of the Project Manager/Engineer so to do. Provided that if any steps, taken by the Contractor in meeting his obligations under this Sub-Clause, involve the Employer in additional supervision costs, such costs shall, after due consultation with the Employer and the Contractor, be determined by the Project Manager/Engineer and shall be recoverable from the Contractor by the Employer, and may be deducted by the Employer from any moneys due or to become due to the Contractor and the Project Manager/Engineer shall notify the Contractor accordingly, with a copy to the Employer.”

Sub-Clause 27.1 Delay in Completion

The text of Sub-Clause 27.1 is deleted and substituted by the following:

“If the Contractor fails to deliver the Works, or any part thereof, within the time stated in Sub-Clause 25.1, or fails to complete the whole of the Work, or, if applicable, any Section within the relevant time prescribed by Sub-Clause 25.1, then the Contractor shall pay to the Employer the relevant sum stated herein below as liquidated damages for such default (which sum shall be the only moneys due from the Contractor for such default) for every day or part of a day which shall elapse between the relevant time for Delivery or Time for Completion and the actual date of delivery at site or the date stated in a Taking-Over Certificate of the whole of the Works or the relevant Section, as the case may be, subject to the applicable limit stated herein below.

The Employer may deduct the amount of such damages from any monies due or to become due to the Contractor. The payment or deduction of such damages shall not relieve the Contractor from his obligation to complete the Works, or from any other of his obligations and liabilities under the Contract.

The liquidated damages for each day of delay and the maximum amount of liquidated damages shall be the amounts mentioned in the Preamble to Conditions of Contract.”

Sub-Clause 28.7 Consequences of Failure to Pass Tests on Completion

The words “by arbitration” appearing at the end of the Sub-Clause 28.7(c) are deleted and substituted by the words “by the Project Manager/Engineer”.

Sub-Clause 30.4 Extension of Defects Liability Period

At the end of 4th paragraph of Sub-Clause the following is added:
“or a mutually agreed period.”

Sub-Clause 30.5 Failure to Remedy Defects

In first line after the words “reasonable time” the following is added:
“fixed by the Project Manager/Engineer”.

The following new Sub-Clause 30.13 is added:

Sub-Clause 30.13 Unfulfilled Obligations

“After the Defects Liability Certificate has been issued, the Contractor and the Employer shall remain liable for the fulfillment of any obligation which remains unperformed at that time. For the purposes of determining the nature and extent of any such obligation, the Contract shall be deemed to remain in force.”

Sub-Clause 31.1 Project Manager/Engineer's Right to Vary

The following is added at the end of second paragraph:

“No such variation shall in any way vitiate or invalidate the Contract, but the effect, if any, of all such variations shall be valued in accordance with Clause 31. Provided that whether the issue of an instruction to vary the Works is necessitated by some default of or breach of Contract by the Contractor or for which he is responsible, any additional cost attributable to such default shall be borne by the Contractor”.

Sub-Clause 31.5 Records of Costs

The word “Engineer” in 4th line of Sub-Clause is deleted and substituted by “Project Manager/Engineer/Employer”.

The following new Sub-Clauses 31.6 and 31.7 are added:

Sub-Clause 31.6 Day work under Variation Order

A Variation Order may provide that work done pursuant thereto shall be executed as Day work, if applicable in the opinion of the Project Manager/Engineer. In such case the Contractor shall be paid for such work under the conditions and the rates and prices set out in the Day Work Schedule.

Sub-Clause 31.7 Value Engineering

The Contractor may, at any time, submit to the Project Manager/Engineer a written proposal which in the Contractor’s opinion will reduce the cost of constructing, maintaining or operating the works, or improve the efficiency or value to the Employer of the completed Works or otherwise be of benefit to the Employer. Any such proposal shall be prepared at the cost of the Contractor. However Employer is not bound to accept such proposal.”

Sub-Clause 33.1 Terms of Payment

The text of Sub-Clause 33.1 is deleted and substituted by the following:

“The EPC/Turnkey Contract shall be payable for the following items: *[Text and number of items given here below are as way of example which may be increased or decreased as per type of the project]*.

Schedule No.1 Civil Works (BOQ measurement basis)
(This will be based on BOQ items as per worked out quantities as)

.....
.....
.....
.....

Schedule No.2 Foundation Works (BOQ measurement basis)
(This will be based on BOQ items as per worked out quantities as)

.....
.....
.....
.....

Schedule No. 3 Supply of Plant (Pre Engineered Structures) including Fixtures and other materials & goods and spare parts (if any) (Schedule of Price basis)

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.....
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.....

Schedule No. 4 Installation and other Services (Schedule of Price basis)

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.....
Schedule No. 5 Design Services (Schedule of Price basis)

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.....
Schedule No. 6 Grand Summary of Bid Prices

Secured Advance

(Employer may opt either “Secured Advance on Materials” if applicable shall be given after the Contractor has provided indemnity bond for secured advance as per standard format.

Advance Payment Security

The Contractor will submit advance payment security for all advance payments in the form of Bank Guarantee issued by a Scheduled Bank of Pakistan or from a bank located outside Pakistan duly counter-guaranteed by a Scheduled Bank in Pakistan in favor of the Employer valid for a period twenty-eight (28) days beyond issue of taking over certificate.”

The following new Sub-Clauses 33.1.1 to 33.1.5 are added:

Sub-Clause 33.1.1 Retention of Payment

“If at any time any payment would fall due for Works or part of Works and, if there shall be any defect in part of such Works in respect of which such payment is proposed, the Employer may retain the whole or any part of such payment. Any sum retained by the Employer pursuant to the provisions of this Clause shall be paid to the Contractor after the said defect is removed.”

Sub-Clause 33.1.2 Payment Where Taking-Over Certificate Issued for Section or Part of Works

“If any section or part of the Works shall be taken-over separately under Clause 29 (Taking-Over) hereof, the payments herein provided for on or after Taking-Over shall be made in respect of the section or part taken-over and reference to the price shall mean such part of the price as shall, in the absence of agreement, be apportioned thereto by the Project Manager/Engineer.”

Sub-Clause 33.1.3 Extra Payment

No extra payment in respect of overtime, additional materials, or special conditions or hardship shall be claimed by the Contractor unless otherwise provided in the Contract or such payments have been previously authorized in writing by the Project Manager/Engineer or the Employer.

Sub-Clause 33.1.4 Breakdown of Lump Sum Items

For the purposes of statements to be submitted in accordance with Sub-Clause 33.1 hereof, the Contractor shall submit to the Project Manager/Engineer, within twenty eight (28) days after the receipt of the Letter of Acceptance, a breakdown for each of the lump sum items contained in the Bid. Such breakdowns shall be subject to the approval of the Project Manager/Engineer.”

Sub-Clause 33.2 Method of Application

The following paragraphs are added:

“The Contractor shall submit to the Employer/Project Manager/Engineer two (2) copies of the Application for Certificate of Payment (invoices) each signed by the Contractor and in such form as the Employer/Project Manager/Engineer may from time to time prescribe.

The Employer/Project Manager/Engineer shall examine such invoices within the times stated in Sub-Clauses 33.3 and 33.5. After such time each invoice will be deemed to have been accepted. If the invoice amount is not accepted by the Employer/Project Manager/Engineer, the disputed amount which is retained, shall be communicated, giving the reasons in writing, to the Contractor within the same time. If the objections of the Employer/Project Manager/Engineer are not acceptable to the Contractor he will justify his claims with necessary documentation and include left over amounts / items in the next invoice. However, the portions of such invoices accepted by the Employer/Project Manager/Engineer shall be paid as per Sub-Clause 33.5.”

Sub-Clause 33.5 Payment

The text of Sub-Clause 33.5 is deleted and substituted by the following:

“The amount due to the Contractor under any Interim Payment Certificate issued by the Project Manager/Engineer pursuant to this Clause, or to any other term of the Contract, shall, subject to Clause 27, be paid by the Employer to the Contractor within thirty (30) days after such Interim Payment Certificate has been jointly verified by Employer and Contractor, or, in the case of the Final Certificate (referred to in Sub-Clause 33.10) within sixty (60) days after such Final Payment Certificate has been jointly verified by Employer and Contractor; Provided that the Interim Payment shall be caused in thirty (30) days and Final Payment in forty two (42) days in case of foreign funded project.

Deduction shall be made from the net amounts payable to the Contractor of any sum(s) in accordance with the prevalent Federal and/or Provincial laws, provided that no such deduction shall be made from those payments in respect of which the Contractor has obtained exemption under the Law.”

Sub-Clause 33.6 Delayed Payment

The text of Sub-Clause 33.6 is deleted and substituted by the following:

“In the event of the failure of the Employer to make payment within the times stated in Sub-Clause 33.5, the Employer shall pay to the Contractor compensation at the rate of KIBOR + 2 percent for local currency per annum upon all local currency sums unpaid from the date by which the same should have been paid. The provisions of this Sub-Clause are without prejudice to Contractor's entitlement under Sub-Clause 46.1.”

Sub-Clause 33.8 Payment by Measurement

The work shall be measured for the units mentioned in the Schedule of Prices according to the Contract as determined by the Project Manager/Engineer from approved drawings, Specifications and Contract Documents.

Sub-Clause 33.11 Issue of Final Certificate of

Payment The following paragraph is added at the end:

“The final certificate of payment is also subject to the production of “As-Built Drawings” by the Contractor as per Sub-Clause 6.10 of particular Conditions of Contract.

The following Sub-Clauses 33.12 and 33.13 are added:

Sub-Clause 33.12 Withholding of Payment

If the Works or any parts thereof are not being carried out to the Project Manager/Engineer's satisfaction and in order to protect the Employer from loss on account of:

- (a) defective work not rectified
- (b) guarantees not met
- (c) claims filed against the Contractor
- (d) failure of the Contractor to make payments due for Plant procured or labour employed by him
- (e) damage to any other contractor employed by the Employer
- (f) Contractor's non-compliance with the Contract
- (g) any Government dues recoverable from the Contractor if notified by the Government

The Project Manager/Engineer may notify withholding of such payments or part thereof as may, in his opinion, be related to the aforesaid reasons/grounds. When the reasons/grounds for withholding the payment are removed by the Contractor, the Project Manager/Engineer shall upon being satisfied to that effect issue Certificate of Payment in respect of withheld amounts.

Sub-Clause 33.13 Payment Schedule

Within thirty (30) days after receipt of the Letter of Acceptance, the Contractor shall submit a proposed payment schedule indicating the estimated payment throughout the currency of the Contract. This schedule shall be in a format satisfactory to the Employer and the Project Manager/Engineer, shall be consistent with the Program of Works, the advance, progress and final payment provisions included herein, and shall be in sufficient detail to permit preparation of cash flow projections for use by the Employer.”

Sub-Clause 35.2 Currency Restrictions

The text of Sub-Clause 35.2 is deleted and substituted by the following:

“Any required foreign currency transactions shall be met by the Contractor at his cost from his own resources.”

Sub-Clause 35.3 Rates of Exchange

The text of Sub-Clause 35.3 is deleted and substituted by the following:

“Any import, if required and approved by the Employer shall also be paid in local currency with exchange rate for the period as notified by the State Bank of Pakistan[*The Employer may change it*].”

Sub-Clause 36.4 Payment Against Provisional Sums

The text of Sub-Clause 36.4 is deleted and substituted by the following:

“Provisional Sums, if any will be expended on the direction of the Project Manager/Engineer through Variation Orders which would be valued in accordance with the provisions of Clause 31 Conditions of Contract.”

Sub-Clause 37.2 Employer's Risks

The text of Sub-Clause 37.2 is deleted and substituted by the following:

“The Employer's Risks are:

- (a) (Insofar as they relate to Pakistan) war and hostilities (whether war be declared or not), invasion, act of foreign enemies;
- (b) (Insofar as they relate to Pakistan) rebellion, revolution, insurrection, military or usurped power or civil war;
- (c) ionizing radiation or contamination by radioactivity from any nuclear fuel, radio-active toxic explosives or other hazardous properties of any explosive nuclear assembly or nuclear components thereof;
- (d) pressure waves caused by aircraft travelling at sonic or supersonic speed;
- (e) (Insofar as they relate to Pakistan) riot, commotion or disorder, unless solely restricted to the employees of the Contractor or of his Subcontractors.
- (f) use or occupation of the Work or any part thereof by the Employer;
- (g) fault, error, defect or omission in the design of any part of the Works by the Project Manager/Engineer, Employer or those for whom the Employer is responsible for which the Contractor has disclaimed responsibility in writing within a reasonable time after the receipt of such design;
- (h) the use or occupation of the Site by the Works or any part thereof, or for the purposes of the Contract: or interference, whether temporary or permanent with any right of way, light, air or water or with any easement, wayleaves or right of a similar nature which is the inevitable result of the construction of the Works in accordance with the Contract;
- (i) the right of the Employer to construct the Works or any part thereof on, over, under, in or through any land;

- (j) damage (other than that resulting from the Contractor's method of construction) which is the inevitable result of the construction of the Works in accordance with the Contract; and
- (k) the act, neglect or omission or breach of contract or of statutory duty of the Project Manager/Engineer, the Employer or other contractors engaged by the Employer or of their respective employees or agents.”

Sub-Clause 39.2 Loss or Damage Before Risk Transfer Date

The words “by arbitration under Clause 50” are deleted and substituted “by the Project Manager/Engineer”.

The following new Sub-Clause 39.4 is added:

“Sub-Clause 39.4 Duty to Minimize Delay

Each Party shall at all times use all reasonable endeavors to minimize any delay in the Performance of the Contract as a result of Risks.

The Contractor shall give notice to the Employer and vice versa the Employer shall give notice to the Contractor in case of foreseeable delay by the Risks.”

Sub-Clause 40.2 Employer's Liability

The text of Sub-Clause 40.2 from the words “death or personal injury” to the end of the Sub-Clause, is deleted and substituted by the following:

“..... (other than the Works) or of death or personal injury to the extent caused by those of the Employer's Risks listed in paragraphs (f), (g), (h), (i), (j), and (k) of Sub-Clause 37.2 but not otherwise.”

Sub-Clause 42.2 Maximum Liability

The words “the sum stated in the Preamble to Conditions of Contract or if no such sum is stated” appearing in 2nd line of Sub-Clause are deleted.

Sub-Clause 42.6 Foreseen Damages

Sub-Clause 42.6 is deleted in its entirety.

Sub-Clause 43.1(a) The Works (Insurance)

The other risks to be insured are:

- (i) Fire, smokes, explosion, falling objects, earthquake, perils of the sea, tempest, impact by aircraft or land vehicle, aircraft and other aerial devices or articles dropped therefrom, lightning, strike, riot, civil commotion, escape of water, inundation, rain, snow, land slides, flood, act of God, vandalism or malicious damage, windstorm or hail storm.
- (ii) Collision, upset, overturn, derailment, stranding or sinking of an automobile or any conveyance of a common carrier by land, water or air in which the Plant or any part thereof

is being carried including overland transportation in Pakistan from port of entry to the Site.

- (iii) Theft, burglary or attempted theft or burglary.
- (iv) Any loss or damage during pre-erection storage.
- (v) Faults in construction and erection, lack of skill, lack of experience, negligence, malicious act.
- (vi) any other sudden and unforeseen event such as loss or damage due to collapse etc. on site, transport of items to be erected.
- (vii) Actions of the Employer in the operation of plant or part thereof on behalf of the

Contractor. The following further Sub-Clauses are 43.1.1, 43.1.2 and 43.1.3 are added:

Sub-Clause 43.1.1 Marine Insurance of Plant

- (1) The Contractor shall in the joint names of the Contractor and the Employer, obtain Marine Cargo All Risks Insurance to cover loss or damage to the Plant or part thereof during transport.
- (2) The insurance for each consignment of Plant or part thereof shall attach from the time the Plant or part thereof leave the warehouse or place of storage and terminate after ninety (90) days on its completion of unloading at the Site or until insurance survey whichever occurs first. Upon arrival of each consignment at the Site, the Contractor shall, immediately arrange insurance survey by the insurance company.
- (3) The sum insured for imported Plant or part thereof shall be for its full replacement value at the Site i.e. 100 % CIF value at the Site for each consignment of the Plant or part thereof plus not less than 30 % of CIF value at the Site to cover any additional costs resulting from loss or damage thereof.
- (4) The Insurance Policy for imported Plant etc. shall be on "All Risks" basis and shall not be limited to the attachment/endorsement of following clauses:
 - (a) Institute Cargo Clauses (A)
 - (b) Institute War Clauses (Cargo)
 - (c) Institute Strikes Clauses (Cargo)
 - (d) Institute Cargo Clauses (Air) excluding sending by Post
 - (e) Institute War Clauses (Air Cargo) excluding sending by Post.
 - (f) Institute Strikes Clauses (Air Cargo)
 - (g) Special Replacement Clauses (Air)

- (h) Institute Theft, Pilferage and Non-delivery Clauses

Sub-Clause 43.1.2 Erection/Construction All Risks Insurance

- (1) The Contractor shall insure the Works or part thereof in the joint names of the Contractor and the Employer.
- (a) from the date following the completion of the first unloading at the Site of the Plant or part thereof and other materials (to be used for construction or erection) and from commencement of Works at Site until the Risk Transfer Date against any loss or damage caused by any of the Contractor's risks and any other risks specified in Sub-Clause 43.1.(a) above and
- (b) during the Defects Liability Period against any loss or damage which is caused either:
- (i) by the Contractor in completing any outstanding work or complying with his obligations under Clause 30, or
- (ii) by any of the Contractor's risks and any other risks specified in Sub-Clause 43.1(a) above, which occurred prior to the Risk Transfer Date.
- (2) The sum insured shall be the full replacement value at the Site, which includes:
- (a) (i) FOB value of imported Plant to be erected
- (ii) Ex-factory value of Indigenous Plant to be erected, if any
- (b) freight and insurance including local transport
- (c) customs duties and taxes etc.
- (d) cost of erection
- (e) cost of civil engineering work including escalation
- (f) clearance of debris, maximum @ 5 % of minimum amount of Third Party Liability Insurance

Plus 30% to cover any additional costs resulting from loss or damage thereof.

Sub-Clause 43.1.3 General

Should a loss be sustained, the Contractor shall replace or repair any loss or damage at his own cost and complete the Works in accordance with the Contract as soon as possible after occurrence of such loss or damages, without waiting for the settlement of the insurance claim.”

Sub-Clause 43.2 Contractor's Equipment

The text of Sub-Clause 43.2 is deleted and substituted by the following:

“The Contractor shall insure the Contractor's Equipment for its full replacement value while on the Site against all loss or damage caused by any of the Contractor's Risks.”

Sub-Clause 43.7 Remedies on the Contractor’s Failure to Insure

In 3rd line after the word, “purpose”, the expression “and reasonable costs including the man-hours costs of Employer’s Personnel” is added.

The following new Sub-Clauses 43.9 to 43.12 are added:

Sub-Clause 43.9 Currency of Insurance

All policies of Insurance of the Plant shall provide for payment of indemnity to be made in such amounts as will allow making good of loss of or damage to the whole or any part of the Works.

Sub-Clause 43.10 Contractor to Notify

It shall be the responsibility of the Contractor to notify the insurance company of any changes in nature and extent of the Works and to ensure the adequacy of the insurance coverage at all times in accordance with the provisions of the Contract.

Sub-Clause 43.11 Procurement of Insurance Policies

The Contractor shall procure and submit the insurance cover under this Clause within a period of twenty eight (28) days from the date of receipt of Letter of Acceptance from the Employer.

Sub-Clause 43.12 Insurance Company

The policies of marine insurance and all other insurances with respect to Contractor’s operations in Pakistan shall be effected with any of the insurance company acceptable to the Employer operating in Pakistan with financial strength rating of AA approved by Pakistan Credit Rating Agency (PACRA) or JCR including National Insurance Corporation (NIC) of Pakistan.”

Sub-Clause 44.6 Damage Caused by Force Majeure

At the end of the Sub-Clause 44.6 the following is added:

“However the Contractor shall put up his claim to the Employer / Project Manager/Engineer with full details and justification.”

Sub-Clause 44.8 Payment on Termination for Force Majeure

Text in sub-Para (c) is deleted and Paras (d) and (e) are re-numbered as (c) and (d).

Sub-Clause 44.10 Force Majeure Affecting Project Manager/Engineer’s Duties

Sub-Clause 44.10 is deleted in its entirety.

Sub-Clause 45.2 Contractor's Default

The following paragraph is added at the end of Sub-Clause 45.2.

“The Employer or such other contractor may use for such completion any Contractor's Equipment which is upon the Site as he or they may think proper, and the Employer shall pay the Contractor a reasonable compensation for such use”.

Sub-Clause 45.4 Payment after Termination

The text of Sub-Clause 45.4 is deleted and substituted by the following:

“The Employer shall not be liable to make any further payments to the Contractor until the Works have been completed. When the Works are so complete, the Project Manager/Engineer shall certify the total cost of such completion of Works.

The Employer may recover the extra cost of such completion, as certified by the Project Manager/Engineer, from any sums otherwise due and payable to the Contractor and/or by disposing of the Contractor's Equipment and stores taken over by the Employer under this Clause or as otherwise provided by law. If there is no such extra cost the Employer shall pay any balance due to the Contractor.”

The following new Sub-Clause 45.6 is added:

Sub-Clause 45.6 Integrity Pact

If the Contractor, or any of his Subcontractors, agents or servants is found to have violated or involved in violation of the Integrity Pact signed by the Contractor as Schedule-J to his Bid, then the Employer shall be entitled to:

- (a) recover from the Contractor an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by the Contractor or any of his Subcontractors, agents or servants;
- (b) terminate the Contract; and
- (c) recover from the Contractor any loss or damage to the Employer as a result of such termination or of any other corrupt business practices of the Contractor or any of his Subcontractors, agents or servants.

The termination under Sub-Para (b) of this Sub-Clause shall proceed in the manner prescribed under Sub-Clauses 45.2 to 45.5 and the payment under Sub-Clause 45.4 shall be made after having deducted the amounts due to the Employer under Sub-Paras (a) and (c) of this Sub-Clause.

Sub-Clause 46.1 Employer's Default

The comma and the word “or” at the end of paragraph (d) of Sub-Clause 46.1 are deleted and substituted by period (.) Paragraph (e) of Sub-Clause 46.1 is deleted.

Sub-Clause 46.3 Payment on Termination for Employer's Default

The words “including loss of profit” in the second paragraph of Sub-Clause 46.3 are deleted.

Sub-Clause 47.1 Labour, Materials and Transport

(The user may extract the formula:

- i. from Clause 70.1 of PCC of PEC Civil Works Bidding Documents.
- ii. with reference to PEC Documents “Standard Guidelines and Formula for Price Adjustment”.
- iii. from Clause 15.2 of GCC of PEC Bidding Documents for Supply of Goods and Services.)

Sub-Clause 48.1 Local Taxation-Custom and Import Duties

The rates and prices quoted by the Contractor in the Schedule of Prices shall be deemed to have included (i) business taxes, income tax, super tax, customs, import duties and other taxes on income, and (ii) fees charged for services provided under this Contract. The taxation is leviable as per income tax ordinance 2001 issued by FBR Government of Pakistan including adjustment in prices as per clause 47.

The following Sub-Clause 48.3 is added:

Sub-Clause 48.3 Port Charges and Port Congestion

“The Contractor shall be deemed to have obtained all the information regarding facilities and charges, in respect of port clearance, loading and unloading, storage, transportation, congestion and confirmed the requirements thereof at his own responsibility and all such costs and charges are deemed to be included in the rates and prices of the Schedule of Prices.”

Sub-Clause 49.1 Notices to Contractor

The following paragraph is added at the end of Sub-Clause 49.1:

“For the purposes of Sub-Clause 49.1, the Contractor shall, immediately after receipt of Letter of Acceptance, intimate in writing to the Employer and the Project Manager/Engineer by registered post, the address of his principal place of business or any change in such address during the period of the Contract.”

Sub-Clause 50 Disputes & Arbitration

Clause 50 is deleted and in its place the following Sub-Clauses 50.1 to 50.5 are inserted:

“50.1 If a dispute of any kind whatsoever arises between the Employer and the Contractor in connection with, or arising out of, the Contract or the execution of the Works, whether during the execution of the Works or after their completion and whether before or after repudiation or other termination of the Contract, including any dispute as to any opinion, instruction, determination, certificate or valuation of the Project Manager/Engineer, the matter in dispute shall, in the first place, be referred in writing to the Project Manager/Engineer, with a copy to the other party. Such reference shall state that it is made pursuant to this Clause. No later than the fifty sixth (56) day after the day on which he received such reference, the Project Manager/Engineer shall give notice of his decision to the Employer and the Contractor. Such decision shall state that it is made pursuant to this Clause.

Unless the Contract has already been repudiated or terminated, the Contractor shall, in every case, continue to proceed with the Work with all due diligence, and the Contractor and the Employer shall give effect forthwith to every such decision of the Project Manager/Engineer unless and until the same shall be revised, as hereinafter provided in an amicable settlement

or in an arbitral award.

In any case where the Conditions of Contract provide that the decision of the Project Manager/Engineer is to be final and conclusive, such decision shall not be referable to arbitration under this Clause nor shall the same be questioned in any other form of proceedings whatsoever.

- 50.2 If either the Employer or the Contractor be dissatisfied with a decision of the Project Manager/Engineer or if the Project Manager/Engineer fails to give notice of his decision on or before the fifty sixth (56) day after the day on which he received the reference, then either the Employer or the Contractor may, on or before the twenty eighth (28) day after the day on which the said period of fifty six (56) days expired, as the case may be, give notice to the other party to commence arbitration, as hereinafter provided, as to the matter in dispute. Such notice shall establish the entitlement of the party giving the same to commence arbitration, as hereinafter provided, as to such dispute and, subject to Sub-Clause 50.5, no arbitration in respect thereof may be commenced unless such notice is given.

If the Project Manager/Engineer has given notice of his decision as to a matter in dispute to the Employer and the Contractor and no notification of intention to commence arbitration as to such dispute has been given by either the Employer or the Contractor on or before the twenty eighth (28) day after the day on which the parties received notice as to such decision from the Project Manager/Engineer the said decision shall become final and binding upon the Employer and the Contractor.

- 50.3 Where notice of intention to commence arbitration as to a dispute has been given in accordance with Sub-Clause 50.2, arbitration of such dispute shall not be commenced unless an attempt has first been made by the parties to settle such dispute amicably through mutual negotiation within ninety (90) days from the date of notification of Project Manager/Engineer's decision.

- 50.4 Any dispute in respect of which:

- (a) the decision, if any, of the Project Manager/Engineer has not become final and binding pursuant to Sub-Clause 50.1 and
- (b) amicable settlement has not been started/reached within the period stated in Sub-Clause 50.3

shall be finally settled, unless otherwise specified in the Contract, under the Rules of Pakistan Arbitration Act, 1940 (Act No. X of 1940) and Rules made thereunder as amended, by one or more arbitrators appointed under such Rules.

The said arbitrator(s) shall have full power to open up, review and revise any decision, opinion, instruction, determination, certificate or valuation of the Project Manager/Engineer for the purpose of obtaining said decision pursuant to Sub-Clause 50.1. No such decision shall disqualify the Project Manager/Engineer from being called as a witness and giving evidence before the arbitrator(s) on any matter whatsoever relevant to the dispute.

The venue of arbitration proceedings shall be the place in Pakistan as mentioned in the Preamble to Conditions of Contract.

- 50.5 Where neither the Employer nor the Contractor has given notice of intention to commence arbitration of a dispute within the period stated in Sub-Clause 50.1 or 50.2 and the related decision has become final and binding, either party may, if the other party fails to comply with such decision, and without prejudice to any other rights it may have, refer the failure to arbitration in accordance with Sub-Clause 50.4. The provisions of Sub-Clauses 50.1 to 50.2 shall not apply to any such reference.”

Supplementary Stipulations

SS-1 Liens

Each contractor, for himself and for any persons directly or indirectly responsible to him, and for his or their material, equipment and employees, and for all other persons performing any labor or furnishing any labor or material for any/or all of the Work covered by his Contract, will be required to release or waive, to the full extent permitted by law, all mechanical and other liens, for or on account of the Work done or equipment and material furnished hereunder and the improvements or structures herein same may be incorporated, and the land to which they are appurtenant shall at all times be free and clear of all such liens.

SS-2.1 Payment of Income Tax, Etc.

The Contractor shall be responsible for the payment, if any is required, of all Pakistani Income Tax, Super Tax, and other taxes on income arising out of the Contract, and the rates and prices stated in the priced Schedule of Prices shall be deemed to cover all such taxes.

SS-2.2 Personnel, Taxes and Duties

The Contractor or his personnel shall pay all personal income tax or other taxes due in Pakistan, if any, for the personnel employed by the Contractor for implementing the work or any other activity required by the Contract. The Contractor shall obtain, at his own cost, work permits from competent authorities to enable any foreign personnel to work in Pakistan. The Contractor shall be responsible for all formalities in connection with passports, obtaining visas, police permits, and expenses for customs duties, if any, related to personal goods of foreign personnel employed on the Project.

SS-2.3 Income Taxes Provisions in Subcontracts

Provisions to the like effect as those contained in this Clause shall be incorporated in Subcontracts.

SS-3 Liability of the Contractor

The Contractor or his Subcontractors or assigns shall follow strictly, all relevant labour laws including the Workmen's Compensation Act and the Employer/Consultant shall be fully indemnified for all claims, damages etc. arising out of any dispute between the Contractor, his Subcontractors or permitted assigns and the labour employed by them.

SS-4 Compliance with workplace and labour laws

- (a) Throughout the Term, while performing under this Agreement, the Contractor, its agents and employees shall observe and fully comply with all laws, ordinance and regulations that may be in force and effect from time to time hereafter and in particular all applicable labor laws.

(b) It is hereby acknowledged that the Contractor's employees and agents and subcontractors, shall at all times remain its employees, agents and subcontractors, as the case may be, and are not employees, agents or subcontractors of KFUEIT and that Contractor will not be acting as KFUEIT's agent or on its behalf for purposes for complying with laws and regulations pertaining to workplace safety, labor and employment.

(c) Social EOBI

SS-5 Mandatory equal employment opportunity

Contractor shall follow the Minimum Wage Rate Policy of Government of Pakistan during the currency of contract as emended from time to time. In this regard, KFUEIT shall not bear any liability.

SS-6 Joint and Several Liability

If the Contractor is a joint venture of two or more persons, all such persons shall be jointly and severally bound to the Employer/Consultant for the fulfilment of the terms of the Contract and shall designate one of such persons to act as leader with authority to bind the joint venture. The composition or the constitution of the joint venture shall not be altered without the prior consent of the Employer/Consultant.

SS-7 Details to be Confidential

The Contractor shall treat the details of the Contract as private and confidential, save in so far as may be necessary for the purposes thereof, and shall not publish or disclose the same or any particulars thereof in any trade or technical paper or elsewhere without the prior consent in writing of the Employer/Consultant or the Project Manager/Engineer/Consultant. If any dispute arises as to the necessity of any publication or disclosure for the purpose of the Contract, the same shall be referred to the decision of the Project Manager/Engineer/Consultant whose award shall be final.

SS-8 Progress report

The Contractor shall submit to the Employer/Consultant fortnightly progress reports in two copies detailing the progress in the execution of work during the reporting period. The submission of the progress reports shall be a condition precedent to the payment of Contractor's Bills by the Employer/Consultant. Two weeks in advance the Contractor shall submit for the Employer/Consultant's approval, particulars of the work he proposes to execute within the following month.

SS-9 Weekly Progress report and photographs

During the continuance of the Contract, the Contractor shall submit weekly progress reports on forms as approved by the Employer/Consultant's Representative. Such weekly reports shall show the actual progress completed as of date of the report plotted against the schedule as given by the Contractor at the start of work and shall be broken down so as to indicate status of all activities associated with mobilization design, material procurement, manufacture, surveys work, tests with regard to the agreed contract programme.

SS-10 Attendance of Meetings

(a) The Contractor shall attend and shall cause his Sub-Contractors to attend any or all meetings when called by the Employer/Consultant or the Engineer/consultant to discuss progress of the Work and other matters related to the Work and the Contract, without any compensation from the Employer/Consultant.

- (b) The Contractor shall bear all expenses of the Employer/Consultant and representatives and the Engineer/consultant, and representatives for any meetings requested by the Contractor for instructions and approvals away from the site within or outside Pakistan.

SS-11 Electric/Sui gas Supply

The Contractor shall make arrangement for the uninterrupted electric power supply and Sui gas supply and distribution of the same at the site of Works for the completion of the Works at his own expense.

SS-12 Rate and Prices inclusive

The rates and prices quoted by the Contractor in the priced Bill of Quantities include all freight, customs, import duties, taxes, pilotage, landing Supplementary Conditions of Contract charges, wharf gem orctroi, excise duties, royalties and all other costs, charges imposed whatsoever in respect of any or other things provided by him for the correct execution of work in compliance with the time Schedule and the Specifications.

By way of illustration but not enumeration the Unit prices shall include besides the costs for supply of material and equipment, cost of their transport, Contractor's profit etc., the cost for provision of the following:

- (a) Furnishing and maintenance of Contractor's Equipment, fuel for Equipment, temporary works, tests, samples and labour necessary for execution of the works, Equipment for transport, machines, test laboratories, Site Office and sheds including all expenses for the furnishing and maintenance of the Workshops and storage areas used by the Contractor.
- (b) Required power, water and other services.
- (c) Illumination and safety at Site.
- (d) All additional costs due to any kind of difficult working, conditions and interruptions which may possibly be caused by adverse physical conditions.
- (e) Staff allowances, ambulances, expenses for medical treatment, travelling expenses, holiday wages and salaries and all other costs for all employees, the required means of communications such as telephone and the like, the required means for protection against accidents.
- (f) All expenses for royalties, licenses, liabilities insurances, rent, hire and the like in connection with the Works.
- (g) Other special work arrangements and provisions not mentioned here but necessary for the proper and complete execution of the Works.
- (h) All Government and / or Municipal taxes, customs duties, excise duties, stamp duties or any other dues, taxes or charges.
- (i) Cost of all insurances to be kept in force during the period of constructions and the period of maintenance of the works under the Contract.

- (j) Mobilization, demobilization and clearance of site.
- (k) Contractor's camp for staff and labour including the services.
- (l) Performance security and Bank Guarantees as and when required under Contract.

The cost of the above shall be deemed to be included in the rates and prices tendered for the works and no separate payment shall be made on this account.

SS-13 Plant and Equipment

The Contractor shall supply all plant and equipment necessary for the construction of each phase of the work and it must be on site, inspected and approved by the Employer/Consultant's Representative.

SS-14 Provision of Plant

In respect of any contractor's Equipment in general, except as provided for in these Documents, which the contractor shall be required to have available at Site for execution of Works in accordance with the Drawings, Specifications or as directed by the Employer/Consultant, he shall make his own arrangements for foreign exchange, import formalities, customs transport to the Site of Works and all other formalities whatsoever at his own cost and responsibility.

The Contractor shall be deemed to have taken into consideration all Government or Local Bodies regulations, for the time being in force, regarding the re-export of any plant and equipment which he may have to import in connection with the works. Any amendments to the existing rules and / or further regulations imposed in this respect by the Government of Pakistan shall be strictly followed by the Contractor.

SS-15 Borrow Areas

The Contractor shall make his survey/enquiries regarding the suitable and nearest Borrow Areas for embankment, granular fill, base and sub-base materials etc., and shall apply to the Engineer/Consultant for approval for the use of the borrow area. It will be the responsibility of the contractor to acquire the Borrow Areas approved by the Engineer/Consultant and pay for all royalties / malkana and all other costs. In case the materials from the approved Borrow Areas do not meet the specifications, in the opinion of the Engineer/Consultant, the Contractor shall have to propose new Borrow Areas for approval, and nothing shall be paid to the Contractor for abandonment of the previously approved Borrow Areas. Additional information regarding borrow and quarry sites are available.

SS-16 Time of Completion of Work

The Work is required to be completed in the time stated in Special Stipulations, and the Tenderer to whom the Contract is given, will be required to complete and deliver the whole of the Permanent Work strictly within the time so stated. If the Tenderer states, in his Tender, a shorter time than shown in the Special Stipulations, then such shorter time governs.

SS-17 Documents Not to be Altered or Mutilated

No alteration or mutilation (other than filling in all the blanks intended to be filled in) shall be made in the form of Tender or in any of the documents attached to it. Any comments which it is desired to make shall not be placed on any of the documents attached hereto, but shall take the form of a separate statement which shall be as brief as possible and referenced to items, clauses and pages of the annexed documents.

Such statements shall not qualify the acceptance of the Tender based upon proposed change or changes in the annexed documents, nor shall be binding upon the Employer/Consultant in any way in making the award. Alterations of already written prices must be signed in the

place of alteration by the Tenderer or his legally authorized representative.

SS-18 Personal Liability of Public Officials

In carrying out any of the provisions of these Specifications, or in exercising any power of authority granted to them by or within the scope of the Contract, there shall be no liability upon KFUEIT or his authorized representatives either personally or as officials of the Government, it being understood that in all matters they act solely as agents and representatives of the Government. No member or officer of the Government or the Employer/Consultant's representatives or any one of their respective staffs or their employees shall be in any way personally bound or liable for the acts or obligations of the Employer/Consultant under the Contract or answerable for any default or omission in the observance or performance of any of the acts, matters or things which are herein, contained.

SS-19 Utility Lines

The Contractor shall conduct his operations, make necessary arrangements, take suitable precautions and perform all required work incident to the protection of and avoidance of interference with power transmission, telegraph, telephone and natural gas lines, oil lines water and sewerage mains and other utilities within the areas of his operations in connection with this Contract and the cost thereof shall be borne by the Contractor and the Contractor shall save harmless and indemnify the Employer/Consultant in respect of all claims, demands, proceedings, costs, charges and expenses whatsoever arising out of or in relation to any such interference. The Contractor will submit utility lines folders duly marked utility lines requiring relocations, name of the department and relevant office with address and phone number.

SS-20 First aid facilities

The Contractor shall provide and maintain adequate First Aid Facilities convenient to the Site to the approval of the Employer/Consultant.

SS-21 Location of Contractor's camp

The location of houses, barracks, stores and offices, etc., shall be determined in agreement with Employer/Consultant, Installation for the supply of electricity and water, fuel, lighting, etc., must be present to the necessary extent.

SS-22 Final Hand over

At the end of the Defects Liability Period stipulated in the Contract, the Employer/Consultant on application of the Contractor, shall decide the members of the final hand over committee and announce the same to the Contractor. The committee, after investigation of work, if satisfied that there are no deficiencies or defects due to work of the Contractor, shall certify the final hand-over, and the Employer/Consultant's Representative will then issue a Defects Liability Certificate as provided in the Conditions of Contract.

SS-23 Making Good Damage to Service, Earthwork etc.

The Contractor shall make good, at his own cost, all damages to telephone, telegraph and electric cables or wires, sewers, water or other pipes except where the Authority, Employer/Consultant or Private Party owing or responsible for the same elects to make good the damage. All injury to the surface of the land, to the beds of water courses, protecting banks, riverbeds, etc. Where disturbed by the works (other than where specifically ordered by the Employer/Consultant), shall be repaired by the Contractor or the Authorities concerned, at the Contractor's expense. All such making good shall be to the approval of the Employer/Consultant.

SS-24 Returns/Reports of plants, materials etc.

The Contractor shall forward to the Employer/Consultant at the end of each month returns showing the Constructional Plant, materials, etc., on Site, in a form prescribed by the Employer/Consultant.

SS-25 Method of Measurement

The measurement of the Work shall be performed on the basis of the Specifications. If these measurements exceed the measurements indicated in the Specifications and Drawings, excepting those directed by the Employer/Consultant, such excess shall be on the account of the Contractor and he shall not be entitled to any compensation therefore. But if they are less than the measurements indicated in the Specifications and Drawings then the Works actually executed shall be measured, provided they are technically acceptable and there is no provision to the contrary in any other part of the Contract Documents. All work completed under the Contract shall be measured according to the metric system for all items, unless otherwise provided herein or in the special Provisions. In case of roads all longitudinal measurement for area or volume will be made horizontally along the road center line, and no deduction will be made for individual fixtures in the pavement having an area of 1 sq. Meter or less. All transverse measurements for area or volume of pavement courses will be made horizontally in accordance with the dimensions indicated on the plans, or the dimensions ordered by the Employer/Consultant. In computing volume of excavation, embankment and borrow, the average end-area method will be used. Quantities of materials wasted or disposed off in a manner not called for under the Contract or rejected loads of materials, including material rejected after it has been placed by reason of the failure of the contractor to conform to the provisions of the Contract, or material not unloaded from the transporting vehicle, or material placed outside of the lines indicated on the drawings or established by the Employer/Consultant, or material remaining on hand after completion of the work will not be paid for and such material should be disposed off by the Contractor at his own expense. No compensation will be allowed for hauling rejected materials. This being a EPC contract, the work described here is included in the accepted contract price and no separate payment is to be made.

SS-26 Record of Measurements

The Contractor will supply to the Employer/Consultant's Representative 2 (two) copies of the abstract of Contractor's certificate of payment every month alongwith two copies of detailed measurements, quality control tests and cross sections with calculations, and any other document or information which form the basis of payment.

SS-27 Dangerous Materials

The Contractor and his sub-Contractor shall convey, store and make use of all explosives, dangerous petroleum, acetylene, carbide of calcium and other similar material provided by them for use in or on the works in strict accordance with the provision of all laws, orders and regulations that are in force at the Site or may be issued from time to time by the Government.

SS-28 Safety Precautions

The Contractor shall adequately provide for the safety, health and welfare of persons and for the prevention of damage to works, material, and equipment for the purpose of or in connection with the Contract.

SS-29 Accident Prevention, Protective Equipment

The Contractor shall comply and enforce compliance by all his sub-contractors with the highest standards of safety and accident prevention in accordance with International standards and in compliance with all applicable laws, ordinances and statutory provisions in Pakistan.

All requisite signs shall be in two languages, English and Urdu, and shall at all times be maintained in a clean and legible conditions, to the satisfaction of the Employer/Consultant's Representative.

Trash shall be removed at frequent intervals to the satisfaction of the Employer/Consultant's Representative.

SS-30 Progress Photographs

The Contractor shall furnish to the Employer/Consultant every two weeks at least four photographs to clearly show the progress of construction. The photographs shall be submitted in three glossy prints 20cm x 20cm, together with soft copy. Each print shall be marked on the back with the date and serial number. There shall be no writing, lettering or marking on the face of the photograph.

SS-31 Fixed Withholding Tax

A sum in Pakistani Rupees, in accordance with the prevailing income tax laws of Pakistan shall be deducted from all actual payments made to the Contractor and be deposited with the Government of Pakistan towards payment of income tax by the Contractor. When such deduction is made from the payments a certificate to that effect shall be issued by the Employer/Consultant to the Contractor. Notwithstanding such deduction of income tax at source, the Contractor shall be liable to pay the balance income tax, super tax and other taxes on income or his profits arising out of the Contract, and his employees on their remunerations etc., in accordance with the prevailing income tax laws of Pakistan.

SS-32 General Requirement

All works shall be carried out in accordance with the following specifications, supplemented by detailed specifications contained in the following sections. Any inconsistencies or ambiguities shall be brought to the notice of the Employer/Consultant's Representative for his clarification / decision. Decision and direction of the Employer/Consultant's Representative, in all such cases, shall be final and binding.

The Contractor shall make himself thoroughly familiar with the site conditions, foresee any and all problems likely to be encountered during execution of the works, and shall be able and ready to solve them effectively. Proposals for solutions to the problems shall be submitted to the Employer/Consultant's Representative for approval before processing with the work.

SS-33 Protections and Precautions

The Contractor and his sub-contractors shall afford all necessary protection to existing structures and will be required to make good at his own expense and damage done to such structures through his own or his representatives or sub-contractors fault and negligence.

The contractor shall promptly correct all such damage to original condition at no additional expense to the Employer/Consultant.

SS-34 Exiting Condition at Site

The bidder after detailed site surveys warrants the adequacy and correctness of information/drawings pertaining to existing project conditions.

SS-35 Setting Out of Work

Establish all boundaries, leveling stakes and bench marks on the site to adequately set out all work. Verify all data and its relationship to establish and Employer/Consultant's Representative survey control points and public bench-marks and report discrepancies to the

Engineer/Consultant.

Permanently mark the necessary control for distance and elevation sufficient to serve throughout the contract and protect these control points adequately against damage and displacement.

SS-36 Sequence of Construction

The Contractor shall submit his proposal for approval of the Employer/Consultant's Representative the sequence of construction, prior to starting the works. The works shall be executed as per approved sequence of construction.

SS-37 Existing services

The Contractor shall search for, find, locate and protect any wiring, cable, duct, pipe work etc., within or immediately adjoining the site area.

The Contractor shall take full responsibility for safety of existing service lines, utilities and utility structures uncovered or encountered during excavation and construction operations.

The Contractor shall take full responsibility for damaging any such service lines, utility/utility structure and any cost and/or expense that arises or issues from any such damage shall be borne directly by himself. Should any damage to any such service occur the contractor shall forthwith take remedial action, initiate safety precautions, install, temporary services and carryout repair all at his own cost and expense and inform the Employer/Consultant's Representative and notify all relevant authorities.

Existing utilities which are to remain in service for or after the works are to be determined by the Contractor. If any existing service lines, utilities and utility structures which are to remain in service are uncovered or encountered during these operations, they shall be safeguarded, protected from damage and supported.

SS-38 Construction Area and Access

The Contractor shall confine his operations to the areas that are actually required for the Works and shall fence the area accordingly. Arrangements for access roads, storage areas and routes for haulage of materials are to be made by the Contractor at his own cost, subject to the approval of the Employer/Consultant's Representative.

SS-39 Storage and Handling Facilities

The Employer/Consultant will facilitate the Contractor to arrange possible space within or nearby the area of site of works for the storage of plant, equipment and materials and for Contractor's temporary office, during the currency of the Contract but costs to be borne by the Contractor. In case of adjacent area as required by the Contractor is not available within the Project boundary for storage of plant, equipment and machines then the Contractor shall arrange at his own expense possible space for storage of plant, equipment and machines at his own cost and expense. On no account shall such temporary installations conflict/interfere with any of the permanent installations, services and any operational function of Employer/Consultant. The handling and storage of all plants, equipment and materials at site shall be the sole responsibility of the Contractor and at no risk and cost to the Employer/Consultant.

SS-40 Test Laboratory and Testing

Testing, unless Contractor set up own well equipped laboratory for each section and approved by Employer/Consultant's Representative where all required tests as per standards mentioned can be performed, shall be performed by an approved testing agency as proposed by the Contractor and at no extra cost to the Employer/Consultant, the Employer/Consultant's Representative may require all testing to be carried out under his

supervision only. The Contractor to put up a complete proposal for approval or Employer/Consultant's Representative before implementation.

The Contractor shall provide and maintain a fully equipped materials testing laboratory for each section at Project site that is capable of performing all the testing including in the contract. The laboratory building shall be in the form of a weather proof pre-fabricated unit or temporary building as the Employer/Consultant's Representative may approve. The laboratory shall be for the exclusive use of the Employer/Consultant's Representative and his staff.

The Contractor shall supply and maintain to the satisfaction of the Employer/Consultant's Representative or his representative complete testing equipment, apparatus, tools, gauges, instruments, etc. in sufficient number and adequate for all tests to be carried out as specified in these specifications. Valid calibration certificates of gauges/instruments/equipment shall be provided by the Contractor.

The Contractor, after the approval by the Engineer/Consultant for the sources of cement and steel shall make available at the site sufficient stock of the materials in each section in advance in order to allow sample testing for quality control prior to use.

The quality control testing shall be performed by the Contractor's competent personnel in accordance with a site testing and quality control programme to be established by the Contractor and approved by the Employer/Consultant's Representative or his Assistant.

Laboratory technicians and laborer in the number deemed necessary by the Employer/Consultant's Representative or his Assistant shall be provided by the Contractor to carry out day-to-day operation in the laboratories and in the field. Such personnel once assigned to the laboratory shall not be removed except at the direction or with the agreement of the Employer/Consultant's Representative or his Assistant.

SS-41 Construction & Checking at Site

The Contractor shall submit to the Employer/Consultant's Representative in due time for approval and discussion, his proposals and plans as to the method and procedure to be adopted for the temporary and permanent works involved.

The submitting to these suggestions and arrangements, and the approval thereof by the Employer/Consultant's Representative shall not relieve the Contractor of his responsibilities and duties under the Contract.

The carrying out of all work included in the Contract is to be supervised by the sufficient number of qualified representatives of the Contractor and full facilities and assistance are to be afforded by the Contractor for the Employer/Consultant's Representative to check and examine the execution of the work.

The Employer/Consultant's Representative reserves the right to inspect all parts of the works but may at his discretion waive inspection on certain items. This shall in no way absolve the Contractor from his responsibilities. This particularly applies to the checking of materials, the accurate setting out of foundations, and to the leveling, setting and aligning of the various parts, and to the proper fitting and adjustment of manufactured and finished materials and fixtures in position.

The Employer/Consultant's Representative find that the work progress is slow in such a way that the works or parts thereof will not be completed in the time specified, then he shall order the Contractor to work overtime or in shifts and the contractor shall comply. These arrangements will be free of all financial encumbrance and at no additional costs to the Employer/Consultant.

In the event of night work, the Contractor shall provide sufficient and adequate lighting to the satisfaction of the Employer/Consultant's Representative and shall supply the necessary manpower for satisfactory continuation of the work after normal hours.

SS-42 Restoration and cleaning

The Contractor shall do regular cleaning and clean away rubbish and excess materials that may accumulate from time to time on completion and before handing over. Upon completion of the Works he shall obliterate all signs of temporary construction facilities such as work areas, structures, foundations of temporary structures, stock piles of excess or waste materials, or any other vestiges of construction, unless otherwise directed by the Employer/Consultant's Representative. The works and site shall be left in a clean and satisfactory state for immediate use and occupation. Care shall be taken not to use any cleaning materials which may cause damage to the surface to be cleaned.

SS-43 Protection of the Works

The Contractor shall whenever necessary cover up and protect the works from weather and damage by his own or other workmen performing subsequent operation. He shall provide all necessary dust sheets, barriers and guard rails and clear away the same at completion.

The Contractor shall take all proper steps for protection at all places on or about the works which may be dangerous to his workmen or any other person or to traffic. The Contractor shall provide and maintain warning signs, warning lamps and barricades as necessary.

SS-44 Samples

The Contractor shall furnish for approval of the Employer/Consultant's Representative with reasonable promptness all samples as directed by the Employer/Consultant's Representative or specifically called for in these Specifications.

SS-45 Inspection and Test Report

The Contractor shall furnish the Employer/Consultant's Representative with certified true copies of test reports of all materials used in the manufacture and fabrication of all equipment and material including metal work, steel pipes, fire bricks etc. The result of these tests shall be in such form as to show compliance with the applicable specifications, standards and codes for the material used.

SS-46 Temporary facilities

The Contractor shall provide, erect or install, maintain, alter as necessary and remove on completion except as otherwise directed by the Employer/Consultant's Representative all temporary facilities and services including access roads as described hereinafter and/or in the Contract Document.

The Contractor's temporary site office shall be available for use not later than two months after the date of the site handing over.

Installation of temporary services at the site shall be given priority over all other construction at the site.

SS-47 Temporary road

The Contractor shall prepare and maintain such temporary roads as may be necessary, from the site to the nearest road and also within the site. Such roads shall be positioned strictly in accordance with the Employer/Consultant's Representative instructions and the Contractor shall reduce or control any dust nuisance by spraying with water as directed. The Contractor shall satisfy himself as to the locations and nature of the proposed access routes to the site and shall be responsible for preventing any damage whatsoever to adjacent property and vegetation and keeping the access road free from debris at all times. The Employer/Consultant shall provide ROW free of encumbrances in accordance with approved program.

SS-48 Temporary services

a. Water Supply

The Contractor shall supply in sufficient quantity all necessary portable and other water for construction purposes for all trades at point within a reasonable distance of the work. He shall make arrangements and pay charges for water service installation, maintenance and removal thereof, and pay the costs of water for all trades.

Temporary pipe lines and connections from the permanent service line, whether outside or within the area of site of works but necessary for the use of Contractor and his sub-contractor shall be installed, protected and maintained at the expense of the Contractor.

b. Electricity

The Contractor shall make all the necessary arrangements for the temporary electricity service, pay all expense in connection with the installation, operation and removal thereof and pay the costs of electricity consumed by all trades.

In the event that the site cannot be connected to a local electricity network or where the available power is insufficient the Contractor has to make his own provision and maintain such installation and stand by arrangement during currency of contract.

A temporary lighting system shall be furnished, installed and maintained by the Contractor as required to satisfy the minimum requirements for safety and security.

c. Waste disposal

The Contractor shall make such temporary provisions as may be required in order to dispose of any chemicals, fuels, grease, bituminous materials, waste and soil waste and the like without causing pollution to either the site or the environment. Disposal of any materials, wastes, effluents, garbage, oil, grease, chemicals and the like shall be in areas specified by the concerned local authority proposed by the Contractor and subject to the approval of the Employer/Consultant's Representative. If any waste material is dumped in unauthorized areas the Contractor shall remove the material and restore the area to the condition of the adjacent undisturbed area. If necessary, contaminated ground shall be excavated, disposed off as directed by the Employer/Consultant's Representative and replaced with suitable fill material compacted and finished with topsoil all at the expense of the Contractor.

d. Fire protection

The Contractor shall provide and maintain adequate fire protection facilities in the form of barrels of water with buckets, fire bucket tanks, fire extinguishers, or other effective means ready for instant use, distributed around the project and in and about temporary inflammable structures during construction of the works.

Gasoline and other flammable liquids shall be stored in and dispensed from safety containers approved by the Employer/Consultant's Representatives and storage shall not be within building.

Torch-cutting and welding operations performed by the Contractor shall have the approval of the Employer/Consultant's Representative before such work is started and a chemical extinguisher is to be available at the location where such work is in progress.

The Contractor shall follow the instructions and specifications of the Civil Defence Department and or other local authority.

e. Telephone

The Contractor shall immediately after receiving the Letter of Acceptance take the necessary steps to obtain mobile and landline telephones on site. He shall be responsible for all installation and connection charges and periodic mobile and landline telephone accounts. Telephone facility shall be made available to the Employer/Consultant's Representative for the due performance of his duties at all times and free of charge during construction and defects liability period, as indicated in General requirement. The Contractor shall provide mobile telephone set with expenditure range of billing upto Rs.3000/month for Senior Staff of the Employer/Consultant's Representative not exceeding 3 in number.

f. Construction schedule

A construction schedule shall be maintained in accordance with the provisions of the General Conditions of Contract.

The construction schedule under relevant clause shall be accompanied with sufficient data and information including all necessary particulars of constructional plant, equipment machinery, temporary Works, arrival of plant equipment at site and their installation, method of operation, work forces employed etc., for an activities of the Works.

Should the Employer/Consultant's Representative consider any alteration or addition in the programme and time schedule, the Contractor shall conform thereto without any cost to the Employer/Consultant's Representative.

Whenever necessary and wherever the progress of the actual work shows departure, the programme and time schedule shall be updated and submitted to the Employer/Consultant's Representative for his approval. This will include delay analysis and remedial action required for delays and other obstructions in each month as detailed below.

g. Contractor to notify delays etc.

Any delay which will affect the completion of Works shall be detailed by the Contractor who shall state the action he is taking for effective completion of the Contract programme.

The Contractor shall submit a report in respect of the various sections of the Works, the equipment in use or held in readiness, a return of labour and supervisory staff and details of any matters arising which may generally affect the progress of the work.

The Contractor shall give a summary of the detailed progress report giving the position with regard to the agreed Contract programme. The programme shall be updated every month to show impact of so far delays that have occurred and also serve purpose of delay analysis.

The progress reports shall be set out in a format to the approval of the Employer/Consultant's Representative, and forwarded promptly so that on receipt the information contained therein is not more than 21 days out of date.

If during execution of the Contract, the Employer/Consultant considers the progress position of any section of the work to be unsatisfactory, or for any other reason relating to the Contract, he will be at liberty to convene a meeting and the Contractor's Representatives are to attend such meeting.

The Contractor's site office shall prepare and submit 02 copies of a weekly progress report to the Employer/Consultant and Employer/Consultant's Representative site office. This report shall summarize site activities and record and details where difficulties in maintaining the agreed programme are being experienced or are likely

to cause subsequent delay.

The Contractor's site office shall also prepare and submit to the Employer/Consultant's Representative site office 02 copies of daily activity report summarizing the main activities to be undertaken each day, noting special activities such as tests, alignment checks etc. The Contractor shall be responsible for expediting the delivery of all material and equipment to be provided by him and his sub-contractors.

SS-49 Night work

When work is done at night the Contractor shall maintain from sunset to sunrise such lights on or about his work and plant as the Employer/Consultant's Representative may deem necessary for the proper observations of the work and the efficient prosecution thereof.

SS-50 Weather

No work is to be undertaken when, in the opinion of the Employer/Consultant's Representative, the weather is so unsuitable that proper protection of the work cannot be ensured.

SS-51 Survey Instruments

All the instruments, equipment, stakes and other material necessary to perform all work shall be provided by the Contractor. The survey work shall be carried out by competent staff consistent with the current practices. The Contractor shall maintain on site surveying instruments in perfect working conditions to enable the Employer/Consultant's Representative to check lines and level at all times.

Survey instruments and equipment shall include but not limited to the following :-

- Electronic Total Station
- Electronic Data Recorder
- Disto Laser Meter
- Precision Level Invert Staff
- Automatic Levels
- Compass, steel tape, ranging poles

SS-52 Payment of work

No separate payment shall be made for the works involved within the scope of this Supplementary Specifications detailed here. These are supposed to be covered in milestone payment schedule as detailed elsewhere.

SS-53 Warranty

- (a) The Contractor warrants that all the Goods are new, unused, and of the most recent or current models, and that they incorporate all recent improvements in design and materials, unless provided otherwise in the Contract.
- (b) Subject to GCC clauses, the Contractor further warrants that the Goods shall be free from defects arising from any act or omission of the Contractor or arising from design, materials, and workmanship, under normal use in the conditions prevailing in the country of final destination.

- (c) Unless otherwise specified, the warranty shall remain valid for minimum twelve (12) months after the Goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination after installation and commissioning.
- (d) The Employer/Consultant shall give Notice to the Contractor stating the nature of any such defects together with all available evidence thereof, promptly following the discovery thereof. The Employer/Consultant shall afford all reasonable opportunity for the Contractor to inspect such defects.
- (e) Upon receipt of such Notice, the Contractor shall, within the period 30 days, expeditiously repair or replace the defective Goods or parts thereof, at no cost to the Employer/Consultant.
- (f) If having been notified, the Contractor fails to remedy the defect within the period as specified above; the Employer/Consultant may proceed to take within a reasonable period such remedial action as may be necessary, at the Contractor's risk and expense and without prejudice to any other rights which the Employer/Consultant may have against the Contractor under the Contract.

SS-54 Design defect liability

SS-55 Civil works defect liability

SS-56 Institutional arrangements

SS-57 Scope of work

Contractor shall provide all management, supervision, labor, materials and administrative support necessary to perform the services described in the scope of works, all in accordance with the criteria set forth in the provisions of this agreement, including all schedules / appendices.

The scope of the project and the obligation of Contractor shall include but not be limited to the following:

- e) Detailed Engineering Design of Project based on Employer/Consultant's Requirements. Prior to this, the bidder has to review Employer/Consultant's Requirement and concept. He has to subsequently prepare his own preliminary design after detail site studies, investigations and surveys. The bidder has to then base his bid on the basis of his own preliminary design which he has to develop into detailed design during execution stage.
- f) Getting design vetted from Employer/Consultant and making necessary correction if required before start of work.
- g) Construction and completion of project including maintenance and defect liability

period as required.

- h) Design and Construction work items may include but not limited to following:
- Detailed survey of the site
 - Detailed topographic survey of the Project site
 - Engineering Design (Architectural, Structural, Plumbing, Mechanical & Electrical)
 - Site Clearance, soil investigation and electric resistivity tests.
 - Demolish and removal of structures, if any.
 - Construction of any other operation ancillary to main works and:
 - Other necessary works to meet the Employer/Consultant's requirements.

SS-58 Cooperation with other contractors

- (a) From time to time during the Term, KFUEIT may award or execute other contracts relating to its ownership, operation or maintenance of the facilities on other sites. Contractor shall fully cooperate with the KFUEIT and the parties to such other contracts and shall diligently endeavor to perform its Services in a manner that will promote integration, synergism and efficiency.
- (b) Among Contractor, KFUEIT and the other contractors, Contractor shall not commit nor permit any action on the part of its employees or agents that might unreasonably interfere with the performance of work by any other contractor of KFUEIT.

SS-59 Performance indicators

The following performance indicators are being established, in which the performance of Contractor shall be monitored by KFUEIT:

SS-60 Asset inventory

The Contractor and KFUEIT shall jointly develop detailed asset inventory at the expiry of contract period and Contractor shall replace the furniture/fixtures equipment's, and part of system rated as damaged upon taking over without any cost to the Employer/Consultant.

SS-61 Technical support

Contractor shall ensure:

- a) The management, technical support & security to be available at site at all times.
- b) Preparations, updating and keeping of documentations/record and operating strictly in accordance with the contract conditions.

SS-62 Penalties

Failure of Contractor to comply with the requirement as indicated in the Scope of Services and Contract Agreement more particularly as per established performance indicators shall make him liable to the penalties as stated below:

- i. For nonperformance with respect to any of the performance indicators as set out above and service levels defined in Scope of Services, the Contractor shall be fined Rs.50,000/-per occurrence and a **black dot will be recorded at every curable event.**
- ii. Accumulation of 4 black dots will also cause major default and contract shall be liable for termination at Contractor cost.

SS-63 Removal

Promptly upon instructions to such effect from KFUEIT, the Contractor shall remove from activities associated with or related to the performance of this Agreement any employee whom KFUEIT considers (for any reason whatsoever and in KFUEIT's sole discretion) unsuitable for such work. Such employee shall not be reassigned to perform any work relating to the Services except with the express written consent of the KFUEIT. No compensation in any form shall be paid to Contractor by the KFUEIT in consideration for the right of removal described in this paragraph or in consideration of an exercise thereof.

SS-64 Reassignment

Contractor shall structure its relationship and procedures with its employees so that the employees may be assigned to, reassigned or transferred from one location to any other location without impediment.

SS-65 Drug free workplace requirements

Throughout the Term, Contractor shall provide a drug-free workplace (at the project site) by establishing a drug-free workplace and program in compliance with KFUEIT policy.

SS-66 Notification of conviction of crimes

Contractor shall notify the KFUEIT of disciplinary action taken against its employees, if convicted of any crime, according to the rules and regulations.

SS-67 Assignment rights and limitations; Sub-Contracts

KFUEIT has selected Contractor to perform the Services based upon characteristics and qualifications personal to the Contractor and its employees. Therefore, Contractor may not assign, delegate or subcontract its rights or obligations under this Agreement. Any attempt by Contractor to assign or sub-contract any performance of this Agreement without such consent shall be null and void and shall, at KFUEIT's option, constitute a default under this Agreement.

SS-68 Contractors responsibilities

- (a) Contractor shall take all reasonable precautions in the performance of the services and shall cause its employees to do the same. Contractor shall be solely responsible for the safety of, and shall provide protection to prevent damage, injury or loss to:
 - (i) All employees of Contractor and other persons who are at project site or would reasonably be expected to be affected by the performance of the services;
 - (ii) Other property of Contractor and its employees and officers and all other persons for whom Contractor may be legally or contractually responsible or adjacent to the project site or other areas upon which services are performed.
 - (iii) Members of the public who may be travelling through the project site and their vehicles, assets and personality.
- (b) Contractor shall comply, and cause its employees and officers and all other persons for whom Contractor may be legally or contractually responsible, with applicable laws, ordinances, rules, regulations and orders of public authorities relating to the safety of persons and property and their protection from damage, injury or loss.
- (c) Contractor shall be responsible for all damage and loss that may occur with respect to any and all property located on or about the Project site or in any way involved in the provision of services by Contractor, whether such property is owned by Contractor, KFUEIT or brought about by the acts or omission of Contractor or its employees or officers or any other persons for whom Contractor may be legally or contractually responsible.
- (d) Contractor shall ensure that all of its activities and the activities of its employees and officers and all other persons for whom Contractor may be legally or contractually responsible are undertaken in a manner that will minimize the effect on surrounding property and the public.

SS-69 Indemnification by Contractor

- (a) Contractor shall defend, indemnify and hold harmless KFUEIT and each of the individuals that is now (or may in the future become) a member of

KFUEIT successors and assigns, and the officers, directors, agents, consultants and employees of any of the foregoing (collectively referred to as the “Indemnified Parties”) from and against any and all claims, causes or action, suits, legal or administrative proceedings, damages, losses liabilities, response costs, costs and expenses (including, without limitation, attorneys’ and experts witness fees and costs that may be incurred in connection with the enforcement of this paragraph) arising out of, relating to or resulting from:

- (i) The performance by Contractor (or its employees, officers or any other persons for whom Contractor may be contractually or legally responsible) of the services or other duties or obligations set forth in this agreement of the failure to perform the services in the manner herein required.
 - (ii) The failure of contractor (or its employees or officers any other persons for whom Contractor may be contractually or legally responsible) to comply with any applicable law, rule, ordinance, regulation or statute in performing the services or other duties or obligations set forth in this agreement.
 - (iii) Any alleged patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions in performance of the services or other duties or obligations set forth in this agreement.
 - (iv) Any act or omission of Contractor (or its employees or officers or any other persons for whom Contractor may be contractually or legally responsible), including, but not limited to, any act or omission that may cause, result in, or contribute to the injury to or death of persons, or the damage to or loss of property.
 - (v) Any shortage of material due to any robbery/theft or act of or by employees of Contractor, or arising out of the negligence of Contractor.
 - (vi) The assertion by any Contractor or other person that inconvenience, disruption, delay or loss has been cause all or in part by actions or interference of Contractor (or its employees, officers or any other persons for whom contractor may be contractually or legally responsible) to cooperate reasonably with such contractors, subcontractors, or other persons.
- (b) Except to the extent permitted by law, the provisions contained herein shall not inure to the benefit of an Indemnified party so as to impose liability on Contractor for matters caused by the negligence of KFUEIT, or so as to relieve KFUEIT of liability for the consequences of its own negligence or the negligence of its employees, officers or any other persons for whom the KFUEIT may be contractually or legally responsible.
- (c) If any claim shall be filed by an employee of Contractor (or anyone for whose acts they may be liable), the indemnification provisions set forth in this Paragraph 8.2 shall not be limited, as to the amount or type of damages, compensation or benefits payable by or for Contractor or otherwise, under the terms of or as a consequence of any workers’ compensation, as per the existing rules of Contractor.

The foregoing obligations shall not be construed to negate, abridge, or reduce other rights or obligations that otherwise would exist in favour of a party indemnified hereunder.

SS-71 Issues of securities and insurance

Contractor shall arrange securities and insurances acceptable to KFUEIT as described herein and shall maintain such securities and insurance in full force and effect throughout the Term in the manner specified herein.

SS-72 Forms of Insurance Coverage and Minimum Limits

Contractor shall maintain insurance policies throughout the Term with the following coverage and minimum limits:

- (a) The Contractor shall obtain and maintain during the currency of contract, insurance for all assets including system & equipment's against loss & damage loss & damage due to any reason except exclusions listed at replacement value plus 25%.
- (b) Contractor shall obtain and maintain comprehensive health insurance for all its staff working on project site.
- (c) Contractor shall obtain and maintain during the currency of contract, insurance for all its employees working on project site against injury or death having a minimum coverage of Rs.1,000,000/- in case of death and Rs.500,000/- for each case of injury / disability with unlimited number of incidents.
- (d) Contractor shall obtain and maintain during the currency of contract, insurance for any loss in an amount adequate to cover as KFUEIT will not entertain any claim in this regard.
- (e) The premium for such insurances shall be paid by the Contractor.

SS-73 Damage to persons and property

The Contractor shall, except if and so far as the Contract provides otherwise, indemnify the Employer/Consultant against all losses and claims in respect of:

- (a) Death of or injury to any person, or
- (b) Loss of or damage to any property, which may arise out of or in consequence of the execution and completion of the operations, and against all claims, proceedings, damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto.

SS-74 Third party insurance

The Contractor shall, without limiting his or the Employer/Consultant's obligation and responsibilities, insure, in the joint names of the Contractor and the Employer/Consultant, against liabilities for death of or injury to any person or loss of or damage to any property (other than the Works) arising out of the performance of the Contract.

SS-75 Communication Protocols

SS-76 Subletting

STANDARD FORMS

STANDARD FORMS

Standard Forms include the following:

- Form of Bid Security
(Bank Guarantee)
- Form of Contract Agreement
- Form of Performance Security
(Bank Guarantee/ Insurance Bond)
- Form of Bank Guarantee for Advance Payment
- Indemnity Bond For Secured Advance

FORM OF BID SECURITY

(Bank Guarantee)

Guarantee No. _____

Executed on _____

Expiry date _____

Name of Guarantor (Bank) with address: _____

Name of Principal (Bidder) with address: _____

Penal Sum of Security (express in words and figures): _____

Bid Reference No. _____ Date of Bid Opening _____

KNOW ALL MEN BY THESE PRESENTS, that in pursuance of the terms of the Bid and at the request of the said Principal, we the Guarantor above-named are held and firmly bound unto the _____, (hereinafter called the "Employer") in the sum stated above, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal has submitted the accompanying Bid numbered dated as above for _____ (Particulars of Bid) to the said Employer; and

WHEREAS, the Employer has required as a condition for considering the said Bid that the Principal furnishes a Bid Security in the above said sum to the Employer, conditioned as under:

- (1) that the Bid Security shall remain valid for a period 28 days beyond the period of validity of the Bid,
- (2) that in the event of;
 - (a) the Principal withdraws his Bid during the period of validity of Bid, or
 - (b) the Principal does not accept the correction of his Bid Price, pursuant to Sub-Clause 24.2 of Instructions to Bidders, or
 - (c) failure of the successful Bidder to
 - (i) furnish the required Performance Security, in accordance with Clause 34 of Instructions to Bidders, or
 - (ii) sign the proposed Contract Agreement, in accordance with Clause 35 of Instructions to Bidders,

then the entire sum be paid immediately to the said Employer as liquidated damages and not as penalty for the successful Bidder's failure to perform.

NOW THEREFORE, if the successful Bidder shall, within the period specified therefor, on the prescribed form presented to him for signature enter into a formal Contract with the said Employer

in accordance with his Bid as accepted and furnish within twenty eight (28) days of his being requested to do so, a Performance Security with good and sufficient surety , as may be required, upon the form prescribed by the said Employer for the faithful performance and proper fulfilment of the said Contract or in the event of non-withdrawal of the said Bid within the time specified for its validity then this obligation shall be void and of no effect, but otherwise to remain in full force and effect.

PROVIDED THAT the Guarantor shall forthwith pay to the Employer the said sum stated above upon first written demand of the Employer without cavil or argument and without requiring the Employer to prove or to show grounds or reasons for such demand notice of which shall be sent by the Employer by registered post duly addressed to the Guarantor at its address given above.

PROVIDED ALSO THAT the Employer shall be the sole and final judge for deciding whether the Principal has duly performed his obligations to sign the Contract Agreement and to furnish the requisite Performance Security within the time stated above, or has defaulted in fulfilling said requirements and the Guarantor shall pay without objection the sum stated above upon first written demand from the Employer forthwith and without any reference to the Principal or any other person.

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

Guarantor (Bank)

Witness:

Signature

1.

Name

Title

Corporate Secretary (Seal)

2.

(Name, Title & Address)

Corporate Guarantor (Seal)

FORM OF CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT (hereinafter called the "Agreement") made on the _____ day of _____ (month) 20____ between

 (hereafter called the "Employer") of the one part and
 _____ (hereafter called the "Contractor") of the other part.

WHEREAS the Employer is desirous that certain Works, viz _____ should be executed by the Contractor and has accepted a Bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

NOW this Agreement witnesseth as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents after incorporating addenda, if any except those parts relating to Instructions to Bidders shall be deemed to form and be read and construed as part of this Agreement, viz:
 - (a) The Contract Agreement
 - (b) The Letter of Acceptance
 - (c) The completed Form of Bid
 - (d) The Preamble to Conditions of Contract
 - (e) The Particular Conditions of Contract
 - (f) The General Conditions of Contract
 - (g) The priced Schedule of Prices
 - (h) The completed Schedules to Bid (A to L)
 - (i) The Specifications
 - (j) The Drawings
3. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy defects therein in conformity and in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor, in consideration of the execution and completion of the Works as per provisions of the Contract, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the day, month and year first before written in accordance with their respective laws.

Signature of the Contactor

(Seal)

Signature of Employer

(Seal)

Signed, Sealed and Delivered in the presence of:

Witness:

(Name, Title and Address)

Witness:

(Name, title and Address)

FORM OF PERFORMANCE SECURITY
(Bank Guarantee/ Insurance Bond)

Guarantee No. _____
Executed on _____
Expiry date _____

Name of Guarantor (Bank/Approved Insurance Company) with address: _____

Name of Principal (Contractor) with address: _____

Penal Sum of Security (express in words and figures) _____

Letter of Acceptance No. _____ Dated _____

KNOW ALL MEN BY THESE PRESENTS, that in pursuance of the terms of the Bidding Documents and above said Letter of Acceptance (hereinafter called the Documents) and at the request of the said Principal we, the Guarantor above named, are held and firmly bound unto the _____ (hereinafter called the "Employer") in the penal sum of the amount stated above for the payment of which sum well and truly to be made to the said Employer, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal has accepted the Employer's above said Letter of Acceptance for _____ (Name of Contract) for the _____ (Name of Project).

NOW THEREFORE, if the Principal (Contractor) shall well and truly perform and fulfill all the undertakings, covenants, terms and conditions of the said Documents during the original terms of the said Documents and any extensions thereof that may be granted by the Employer, with or without notice to the Guarantor, which notice is, hereby, waived and shall also well and truly perform and fulfill all the undertakings, covenants terms and conditions of the Contract and of any and all modifications of said Documents that may hereafter be made, notice of which modifications to the Guarantor being hereby waived, then, this obligation to be void; otherwise to remain in full force and virtue till all requirements of Clause 30, Defects after Taking Over, of Conditions of Contract are fulfilled.

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

We, _____ (the Guarantor), waiving all objections and defences under the Contract, do hereby irrevocably and independently guarantee to pay to the Employer without delay upon the Employer's first written demand without cavil or arguments and without requiring the Employer to prove or to show grounds or reasons for such demand any sum or

sums up to the amount stated above, against the Employer's written declaration that the Principal has refused or failed to perform the obligations under the Contract which payment will be effected by the Guarantor to Employer's designated Bank & Account Number.

PROVIDED ALSO THAT the Employer shall be the sole and final judge for deciding whether the Principal (Contractor) has duly performed his obligations under the Contract or has defaulted in fulfilling said obligations and the Guarantor shall pay without objection any sum or sums up to the amount stated above upon first written demand from the Employer forthwith and without any reference to the Principal or any other person.

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

	Guarantor (Bank/Approved Insurance Co.)
Witness:	
1. _____	Signature _____
Corporate Secretary (Seal)	Title _____
2. _____	
_____	_____
Name, Title & Address	Corporate Guarantor (Seal)

FORM OF BANK GUARANTEE FOR ADVANCE PAYMENT

Guarantee No. _____
 Executed on _____
 Expiry date _____

WHEREAS the _____ (hereinafter called the Employer) has entered into a Contract for _____

_____ (Particulars of Contract), with
 _____ (hereinafter called the Contractor).

AND WHEREAS the Employer has agreed to advance to the Contractor, at the Contractor's request, an amount of _____ (Rs. _____) which amount shall be advanced to the Contractor as per provisions of the Contract.

AND WHEREAS the Employer has asked the Contractor to furnish Guarantee to secure advance payment for performance of his obligations under the said Contract.

AND WHEREAS _____ (Bank) (hereinafter called the Guarantor) at the request of the Contractor and in consideration of the Employer agreeing to make the above advance to the Contractor, has agreed to furnish the said Guarantee.

NOW THEREFORE the Guarantor hereby guarantees that the Contractor shall use the advance for the purpose of above mentioned Contract and if he fails, and commits default in fulfillment of any of his obligations for which the advance payment is made, the Guarantor shall be liable to the Employer for payment not exceeding the aforementioned amount.

Notice in writing of any default, of which the Employer shall be the sole and final judge, as aforesaid, on the part of the Contractor, shall be given by the Employer to the Guarantor, and on such first written demand payment shall be made by the Guarantor of all sums then due under this Guarantee without any reference to the Contractor and without any objection.

This guarantee shall come into force as soon as the advance payment has been credited to the account of the Contractor.

This guarantee shall expire not later than _____ by which date we must have received any claims by registered letter, telegram, telex or telefax.

It is understood that you will return this Guarantee to us on expiry or after settlement of the total amount to be claimed hereunder.

Witness:

1. _____

Corporate Secretary (Seal)

2. _____

Name, Title & Address

Guarantor (Bank)

Signature _____

Name _____

Title _____

Corporate Guarantor (Seal)

**INDEMNITY BOND FOR SECURED ADVANCE
AGAINST MATERIALS BROUGHT AT SITE**

(ON APPROPRIATE NONJUDICIAL STAMP PAPER)

This Deed of Indemnity is issued by M/s. _____
_____ (Name of the Contractor) in favour
of M/s. _____ (Name of the Employer).

Whereas _____ (hereinafter called the Employer) has agreed to pay the Secured Advance against the cost of material through any Bank or like agency by any other method by virtue of the terms of the contract existing between the parties. The details of the material and their price for which secured advance is being sought for the period _____ till consumption of the material is as under :-

1. _____ at Rs. _____ per _____ = Rs.
2. _____ at Rs. _____ per _____ = Rs.
3. _____ at Rs. _____ per _____ = Rs.
4. _____ at Rs. _____ per _____ = Rs.

THEREFORE THIS DEED OF INDEMNITY WITNESSETH AS FOLLOWS:

I/We _____ of M/s. _____ do hereby indemnify M/s _____ for all losses due to thefts, arson, pilferage, loss due to flood and inundation, shortage, deterioration and depreciation etc. through any act of Man or God or slump in the Market of any or all the materials financed or paid by the Employer on our request for financing payment against material.

I/We _____ shall indemnify _____ against any or all claims, action damages arising out of or resulting to the said material.

I/We _____ further declare that we will faithfully abide by the above declaration and solemnly affirm that we will not remove, sell, pilferage any of the materials against which M/s _____ has paid us such a secured advance and will not pledge the same with any Bank, Finance Corporation, Firm, Company, Individual or the like agency or create any change whereon in any from what so ever.

I/We _____ do hereby also declare that in the event of my/our infringement of the declaration made above _____ will be entitled to forfeit all such material and also proceed against me/us according to the relevant clause pertaining to breach of contract and further invoke the power or seek any remedies secured of _____ under the contract Agreement signed with us or otherwise available under law.

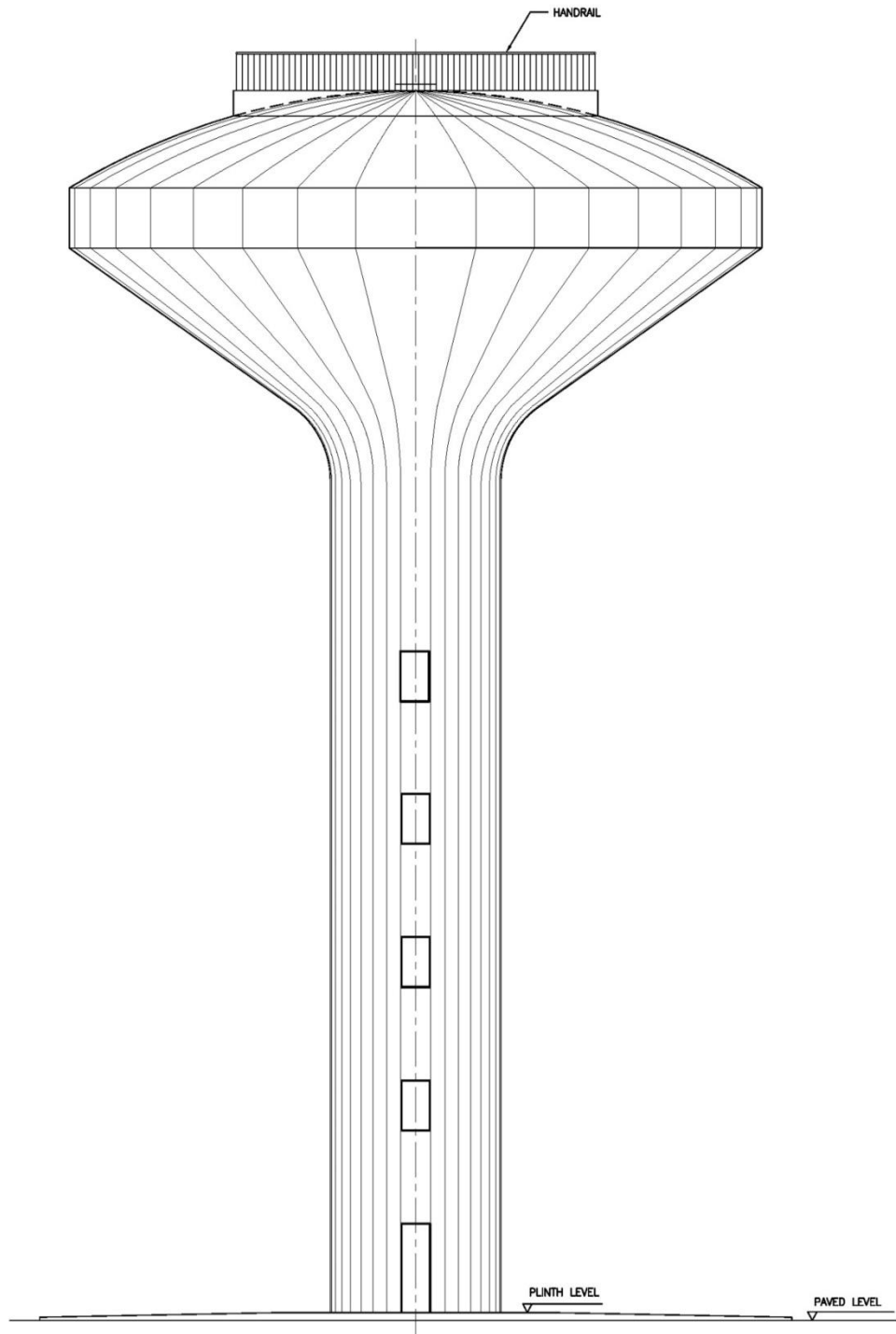
Place _____ Dated _____

Contractor _____

SPECIFICATIONS
SPECIAL PROVISIONS

SPECIFICATIONS
TECHNICAL PROVISIONS

DRAWINGS



ELEVATION