

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)**CONTRACT AWARD PROFORMA - I**

To Be Filled And Uploaded on PPRA Website in Respect of All Public Contracts of Works, Services & Goods Worth Fifty Million or more

▶ NAME OF THE ORGANIZATION/DEPTT.	<u>National Highway Authority</u>				
▶ FEDERAL/PROVINCIAL GOVT.	<u>Federal Govt (Atonomous Body)</u>				
▶ TITLE OF CONTRACT	<u>Improvement, Upgradation and Widening of Jaglot – Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey).</u>				
▶ TENDER NUMBER	<u>2(404)-C</u>				
▶ BRIEF DESCRIPTION OF THE CONTRACT	<u>Improvement, Upgradation and Widening of Jaglot – Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey).</u>				
▶ TENDER VALUE	<u>See below</u>				
▶ ENGINEER'S ESTIMATE (for civil works only)	<u>Rs. 21,699,970,000/-</u>				
▶ ESTIMATED COMPLETION PERIOD	<u>36 months</u>				
▶ WHETHER THE PROCUREMENT WAS INCLUDED IN ANNUAL PROCUREMENT PLAN?	<table border="1"> <tbody> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table>	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>		
▶ ADVERTISEMENT					
(i) PPRA Website (Federal Agencies)	<table border="1"> <tbody> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table>	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>		
(ii) News Papers (If yes, give names of newspapers and date)	<table border="1"> <tbody> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table> <p>National Press "The News" and "Daily Express" dated 16th Mar-16 and International Press i.e. Khaleej Times (UAE) on 18th Mar-16, Financial Times (UK) on 21st Mar-16, Gulf News (UAE), China Daily (Beijing) & Zaman (Turkey) on 22nd Mar-16.</p>	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>		
▶ TENDER OPENED ON (Date and Time)	<p>Technical Bids opened on 29th July 2016 at 1130 hours Financial Bid opened on 4th Nov. 2016 at 1000 hours Alternate Bid opened on 8th Nov. 2016 at 1100 hours</p>				
▶ NATURE OF PURCHASE	<u>Procurement of works</u>				
▶ EXTENSION IN DUE DATE (if any)	<table border="1"> <tbody> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table>	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>		
▶ NUMBER OF TENDER DOCUMENTS SOLD (Attach list of Buyers)	<u>Seven (07)</u> (List of Buyers available in Evaluation Report)				
▶ WHETHER QUALIFICATION CRITERIA WAS INCLUDED IN BIDDING/TENDER DOCUMENTS (If yes enclose a copy)	<table border="1"> <tbody> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table> <p>(Copy of Qualification criteria attached)</p>	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>		
▶ WHETHER BID EVALUATION CRITERIA WAS INCLUDED IN BIDDING/TENDER DOCUMENTS (if yes enclose a copy)	<table border="1"> <tbody> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table> <p>(Copy of Qualification Criteria attached)</p>	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>		
▶ WHICH METHOD OF PROCUREMENT WAS USED:-	(Tick one)				
a) SINGLE STAGE - ONE ENVELOPE PROCEDURE	<input checked="" type="checkbox"/>				
b) SINGLE STAGE - TWO ENVELOPE PROCEDURE	<input checked="" type="checkbox"/>				
c) TWO STAGE BIDDING PROCEDURE	<input checked="" type="checkbox"/>				
d) TWO STAGE - TWO ENVELOPE BIDDING PROCEDURE - Please specify if any other method of procurement was adopted with brief reasons (i.e. Emergency, Direct Contracting, Negotiated Tendering, etc.)	<input checked="" type="checkbox"/>				
- WHO IS THE APPROVING AUTHORITY	<u>NHA Executive Board</u>				
▶ WHETHER APPROVAL OF COMPETENT AUTHORITY WAS OBTAINED FOR USING A METHOD OTHER THAN OPEN COMPETITIVE BIDDING	<u>N. A.</u>				
▶ NUMBER OF BIDS RECEIVED	<u>Three (03)</u>				
▶ WHETHER THE SUCCESSFUL BIDDER WAS LOWEST BIDDER	<table border="1"> <tbody> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table>	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>		
▶ WHETHER INTEGRITY PACT WAS SIGNED	<table border="1"> <tbody> <tr> <td>Yes</td> <td><input checked="" type="checkbox"/></td> <td>No</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table>	Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input checked="" type="checkbox"/>		

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)**CONTRACT AWARD PROFORMA - II**

To Be Filled And Uploaded on PPRA Website in Respect of All Public Contracts of Works, Services & Goods Worth Fifty Million or more

- ▶ No. OF BIDDERS PRESENT AT THE TIME OF OPENING OF BIDS Three (03)
- ▶ NAME & ADDRESS OF SUCCESSFUL BIDDER M/s Frontier Works Organization, 509 Kashmir Road, R. A. Bazar, Rawalpindi.
- ▶ RANKING OF SUCCESSFUL BIDDER IN EVALUATION REPORT (I.e. 1st, 2nd, 3rd EVALUATED BID) Lowest evaluated bidder
-
- ▶ NEED ANALYSIS (Why the procurement was necessary?) Jaglot-Skardu Road (Strategic Highway S-1) takes off from Karakoram Highway in Northern Areas. It starts from outside Jaglot town about 45 km before Gilgit and ends at Skardu. The Road runs along the east bank of River Indus and has been constructed by cutting the almost vertical mountains along the river in Baltistan District. The road is subject to heavy wear and tear due to frequent rains, hill torrent crossings and landslides. The existing road alignment is 3.8m to 4.2m wide on straight portions and 4.5 to 5.0m wide in curved portions. This allows only for one way traffic. The in-coming traffic has to either stop to let the other vehicle pass or the other vehicle has to cross with one side wheels on shoulders. The Project envisages widening and up gradation of existing road and improvement of its road geometry.
-
- ▶ IN CASE EXTENSION WAS MADE IN RESPONSE TIME, WHAT WERE REASONS (Briefly describe) Request of various bidders, etc.
- ▶ WHETHER NAMES OF THE BIDDERS AND THEIR PRICES WERE READ OUT AT THE TIME OF OPENING OF BIDS

Yes	√	No	x
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- ▶ DATE OF CONTRACT SIGNING (Attach a copy of agreement) 23rd June 2017
(Copy attached)
- ▶ CONTRACT AWARD PRICE Rs. 31,000,000,000/-
- ▶ WHETHER COPY OF EVALUATION REPORT GIVEN TO ALL BIDDERS (Attach a copy of bid evaluation report)

Yes	x	No	√
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(Copy attached)
- ▶ ANY COMPLAINTS RECEIVED (If Yes, result thereof)

Yes	x	No	√
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-
- ▶ ANY DEVIATION FROM SPECIFICATIONS GIVEN IN THE TENDER NOTICE/DOCUMENTS (If yes give details)

Yes	√	No	X
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Details of deviations available in Evaluation Report, as the same is allowed in Request for Proposal.
-
- ▶ DEVIATION FROM QUALIFICATION CRITERIA (If yes give details)

Yes	x	No	√
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-
- ▶ SPECIAL CONDITIONS, IF ANY (Give Brief Description) Nil



**PRICE BID
EVALUATION REPORT**

Government of Pakistan

PRICE BID EVALUATION REPORT

FOR

**Improvement, Upgradation and Widening of
Jaglot - Skardu Road on Supplier / Buyer
Credit Basis (EPC / Turnkey).**

APRIL 2017



National Highway Authority

(Procurement and Contract Administration Section)

28 Mauve Area, Sector G-9/1, Islamabad (Pakistan)

Phone: +92-51-9032727, Fax: +92-51-9260419

LIST OF DOCUMENTS

- A.** Price Bid Evaluation Report
B. Recommendations of Tender Acceptance Committee
C. **Annexures**
1. Annexure-I PC-1
 2. Annexure-II Invitation for Proposals (IFP) Notice
 3. Annexure-III Corrigendum-1 to 6
 4. Annexure-IV Purchase of Request for Proposals
 5. Annexure-V Addendum No. 01
 6. Annexure-VI Notification of Bid Opening / Evaluation Committee
 7. Annexure-VII Notification of Bid Evaluation / Clarification Committee
 8. Annexure-VIII Copy of letter addressed to Director (Accounts)-GOP for verification of Bid Security
 9. Annexure-IX Verification of Bid Securities Letter received from NHA Accounts Section
 10. Annexure-X Recommendations of Bid Opening and Evaluation Committee and its approval by Member (Engg.-Coord)
 11. Annexure-XI Copy of Technical Bid Evaluation Report
 12. Annexure-XII Return of Unopened Financial Bids and Bid Securities to Technically Disqualified Firms
 13. Annexure-XIII Opening of Financial Bid of Only Technically Qualified Bidder i.e. M/s FWO
 14. Annexure-XIV Opening of Alternate Bid of Only Technically Qualified Bidder i.e. M/s FWO
 15. Annexure-XV Confirmed Minutes of 271st NHA Executive Board Meeting
 16. Annexure-XVI Confirmed Minutes of 272nd NHA Executive Board Meeting
 17. Annexure-XVII Clarification letters alongwith Attendance Sheets
 18. Annexure-XVIII Minutes of Clarification Meetings
 19. Annexure-XIX Volunteer Discount by M/s FWO on Alternate Proposal
 20. Annexure-XX Summary of Comparative Statement
 21. Annexure-XXI Comparison of Bid
 22. Annexure-XXII Confirmed Minutes of 276th NHA Executive Board Meeting

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1. Introduction

This report covers the evaluation and recommendations in respect of the Conforming Price Proposal opened on 4th November 2016 and Alternate Proposal opened on 8th November 2016 for “Improvement, Upgradation and Widening of Jaglot – Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey)”, of M/s FWO.

According to EPCF form of bidding /contract, in addition to Engineering Procurement & Construction, the construction firm shall be responsible for financing minimum 85% of total development cost in the form of a supplier / buyer Credit while remaining financing will be borne by Government of Pakistan (GoP).

2. Scope of the Work

Jaglot-Skardu Road (Strategic Highway S-1) takes off from Karakoram Highway in Northern Areas. It starts from outside Jaglot town about 45 km before Gilgit and ends at Skardu. The Road runs along the east bank of River Indus and has been constructed by cutting the almost vertical mountains along the river in Baltistan District. The road is subject to heavy wear and tear due to frequent rains, hill torrent crossings and landslides. The existing road alignment is 3.8m to 4.2m wide on straight portions and 4.5 to 5.0m wide in curved portions. This allows only for one way traffic. The in-coming traffic has to either stop to let the other vehicle pass or the other vehicle has to cross with one side wheels on shoulders.

The Project envisages widening and up gradation of existing road and improvement of its road geometry.

3. PC-I Status

PC-1 of the subject project at cost of Rs. 26,453.596 Million was presented in the meeting of ECNEC held on 09-12-2010, however, the project was finally approved at the rationalized cost of Rs. 22,154.037 Million based on NHA CSR-2009 (Battagram) + 9.1% Premium (**Annexure-I**).

4. Procurement Process

Invitation for Proposals (IFP) Notice for the Project published in National Press on 16th March 2016 and in International Press i.e. Khaleej Times (UAE) on 18th March-2016, Financial Times (UK) on 21st March-2016, Gulf News (UAE), China Daily (Beijing) & Zaman (Turkey) on 22nd March-2016 (**Annexure-II**).

5. Issuance of Corrigendums

On the request of various prospective bidders, the date for submission / opening of bids was extended and accordingly Corrigendum Notices were published in the press and uploaded on NHA and PPRA websites as per following details (**Annexure-III**):

- (i) *Corrigendum-1, dated 18-03-16 & Corrigendum-2, dated 20-04-16:*
 - Submission / Opening of Bids Date Extended till 23-05-2016.
- (ii) *Corrigendum-3, dated 21-05-2016:*
 - Submission / Opening of Bids Date Extended till 17-06-2016.
- (iii) *Corrigendum-4, dated 14-06-2016:*
 - Submission / Opening of Bids Date Extended till 29-06-2016.
- (iv) *Corrigendum-5, dated 28-06-2016:*
 - Submission / Opening of Bids Date Extended till 14-07-2016.
- (v) *Corrigendum-6, dated 14-07-2016:*
 - Submission / Opening of Bids Date Extended till 29-07-2016.

6. Issuance of Request for Proposal

In response to Invitation for Proposals, following firms purchased the Request for Proposals either from P&CA Section or downloaded from NHA website (**Annexure-IV**):

Sr. No.	Name of the Firm
i.	M/s Power Construction Corporation of China
ii.	M/s Frontier Works Organization
iii.	M/s CRBC Corporation
iv.	M/s CGGC Company
v.	M/s CRCC Corporation
vi.	M/s Sultan Mahmood & Co
vii.	M/s Gammon Pakistan Limited

7. Issuance of Addendum No. 01

Addendum No. 01 was issued and uploaded on NHA website for all prospective bidders vide letter No. 2(331)/GM(P&CA)/NHA/2016/895 dated 3rd June 2016 (**Annexure-V**).

8. Bid Opening / Evaluation Committee

As per NHA Code, following is the Committee for Bid Opening notified vide letter No. 2(331)/GM(P&CA)/NHA/2016/1157 dated 28th July 2016 (**Annexure-VI**):

- | | | | |
|----|-------------------------------------|-----|-----------|
| a. | General Manager (P&CA) | ... | Chairman |
| b. | Director (Planning) | ... | Member |
| c. | Director (Accounts)-GOP | ... | Member |
| d. | Director (Construction/Engg.-Coord) | ... | Member |
| e. | Director (P&CA)-I | ... | Secretary |

9. Strengthening of Evaluation Committee

Keeping in consideration the nature of procurement i.e. EPCF, where preliminary design was also required to be submitted by the bidders and initial analysis of Terms and Conditions of Credit Financing by Financial Experts is involved, the Evaluation Committee was expanded with the approval of Chairman NHA, as a result following additional Members were included and notified as Bid Evaluation / Clarification Committee (**Annexure-VII**):

- (i) General Manager (Planning)
- (ii) General Manager (Design)
- (iii) General Manager (Finance)
- (iv) Sr. Procurement & Contract Specialist
- (v) Director (PPP), Dr. Iftikhar Mehboob
- (vi) Director (QS)

10. Bids Submission and Opening of Technical Bids:

On the scheduled date of 29th July 2016, following three (03) firms submitted their Technical (**Envelope-A**) and Financial (**Envelope-B**) bids and Technical Bids of all firms were opened on same date:

Sr. No.	Name of firm
i.	M/s Power Construction Corporation of China, Limited.
ii.	M/s Frontier Works Organization.
iii.	M/s China Gezhouba Group Company Limited.

11. Status Regarding Verification of Bid Securities

P&CA Section requested Deputy Director (Accounts)-GOP for necessary verification of Bid Securities (**Annexure-VIII**). Assistant Director (Accounts)-GoP submitted verifications of Bid Securities (**Annexure-IX**).

12. Technical Evaluation Criteria:

PEC Registration	Duly licensed by the PEC in Category C-A with specialization in CE-01, CE-02 & CE-10.	
Experience	Particular Experience of the firm as per schedule-I	one project of similar nature of amount equal to US\$ 190 million completed during the last seven years
Competence	Design capacity	
	Construction Schedule / Work methodology / Resource scheduling plan as per schedule B, C and D	
	Available Resources of the firm i.e. Equipment and Manpower as per schedule-G	
Performance	Past performance as per schedule-I	
	Current work commitments as per schedule-I	
Financial	Financial soundness as per IB 13.4(b)	
	a. Average Annual Turnover of last 3 years	US\$ 60 Million
	b. Average Net Worth	US\$ 38 Million
	c. Working Capital	US\$ 19 Million

13. Technical Evaluation Results:

After detailed evaluation of Technical Bids, the following is the summary of Responsiveness Study:

Sr. No.	Name of the Firm	Responsiveness Study
i.	M/s Frontier Works Organization	The bid is Responsive .

Sr. No.	Name of the Firm	Responsiveness Study
ii.	M/s China Gezhouba Group Company Ltd.	The bid is Non-Responsive due to non submission of preliminary design at the time of technical bid submission. Hence, the bid is not considered for detailed evaluation thus bidder stands disqualified.
iii.	M/s Power Construction Corporation of China, Ltd.	The bid is Non-Responsive due to less period of bid security validity at the time of technical bid submission. Hence, the bid is not considered for detailed evaluation. "PEC Std. Procedure for Evaluation of Bids for Procurements of Works" guides to allows a relaxation in Bid Security Period if it is short by one or two days only.

Bidders, after bid submission / opening of Technical bid attempted to cover up the above stated short-coming through supplementary submissions which committee owing to subsequent submission did not consider.

The technical bid of M/s FWO was evaluated in accordance with the eligibility criteria and evaluation of technical aspects specified in the Request for Proposal. As a result M/s FWO has emerged as the only technically qualified bidder.

Recommendations of Bid Opening and Evaluation Committee and its approval by Member (Engg.-Coord) is placed at **Annexure-X** and Copy of Technical Bid Evaluation Report is placed at **Annexure-XI**.

14. Return of Unopened Financial Bids and Bid Securities to Technically Disqualified Firms

Both the technically disqualified firms were informed of their status with request to collect their unopened Financial Bids and Bid Securities vide letter No. 2(331)/GM(P&CA)/NHA/2016/1629 & 1630 dated 3rd November 2016 (**Annexure-XII**).

15. Opening of Financial Bid of Technically Qualified Bidder i.e. M/s FWO

The only one technically qualified bidder, M/s FWO was informed vide letter No. 2(331)/GM(P&CA)/NHA/2016/1631 dated 3rd November 2016 for opening of their financial bid on 4th November 2016 at 1000 hours in NHA Auditorium HQ, Islamabad. Bid Cost of M/s FWO was **Rs.44,998,784,113 (Annexure-XIII)**.

16. Opening of Alternate Bid of Technically Qualified Bidder i.e. M/s FWO

M/s FWO was informed vide letter No. 2(331)/GM(P&CA)/NHA/2016/1654 dated 7th November 2016 for opening of their Alternate Bid on 8th November 2016 at 1100 hours in NHA Auditorium HQ, Islamabad. The Alternate Bid of M/s FWO was **Rs.32,573,651,382 (Annexure-XIV)**. The salient features of Alternate Proposal of M/s FWO are as under:

Deviations from Technical Provisions:

Sr. No.	Description / Design Parameters	Unit	Alternate Bid	
			Rolling Terrain (50 Km)	Hilly Terrain (114 Km)
1	Design Speed	Km/h	70-90	40-60
2	Formation Width	M	12.3	9.1
3	Width of Travelled way (carriageway)	M	7.3	6.1
4	Width of Shoulders in open fill area in rocky areas	M	2.5M on either side	1.5 on either side
5	Cross slop Carriageway Shoulders	%	2 4	2 4
6	Maximum Gradient	%	2.5	7

Deviations from Contractual Conditions:

Sr. No.	Clause No. / Section No.	Deviations / Clarifications
7	IB. 31.1 / Instructions to Bidders	Employer's right to increase or decrease 15% of the quantity without any change in unit rate at the time of award of contract shall not be applicable.
8	2.3 / Preamble to Schedule of Prices	Extra costs incurred due to increase in quantities at the time of review or amendment of design / drawings by the Employer will not be borne by the contractor.
9	SS21 / Supplementary Specifications	Line 5 & 6 in SS21 / Supplementary Specifications stating that if measured quantities are less than the measurement indicated in the specifications and drawings then the work actually executed shall be measured, will not be applicable to the alternate proposal.
10	Clause 1.1.3.7 / Contract Data Sheet PCC Clause 11.1 / Defects Liability Period	Defects liability period shall be 2 years (whereas Employer's Requirement is for 3 years).
11	PCC Clause 12 / Tests after Completion	IRI = 2 - 2.5 m/Km

17. Agenda Presented in 271st and 272nd NHA Executive Board Meetings

The Agenda regarding subject project was presented two times before NHA Executive Board. Initially, appraisal of bidding process and then presentation of M/s FWO on their alternate bid respectively of the project was presented in 271st and 272nd NHA Executive Board Meetings.

18. Agenda for Appraisal of Bidding Process Presented in 271st NHA Executive Board Meeting

18.1 The agenda for appraisal of bidding process was presented in 271st NHA Executive Board meeting for the communication of following facts:

- (i) The outcome of Technical Evaluation Process: Only one bidder (FWO) is technically qualified out of three.
- (ii) Conforming and Alternate Price Bid of M/s FWO alongwith Technical / Contractual deviations.
- (iii) Decision of Executive Board was solicited in principle to proceed on Alternate Proposal of M/s FWO for technical discussion / clarifications and rationalization of bid cost.

18.2 Deliberation / Decision of NHA Executive Board

The NHA Executive Board considered the working paper and decided to constitute a Committee of all Board Members to take presentation in forthcoming meeting from M/s FWO on alternate proposal before any decision (Confirmed Minutes of 271st NHA Executive Board Meeting are attached at **Annexure-XV**).

19. Presentation of M/s FWO during NHA Executive Board 272nd Meeting Held on 16th January 2017

19.1 DG M/s FWO made a detailed presentation before NHA Executive Board in 272nd meeting held on 16th January 2017. Board Members, inter-alia deliberated the following points:

- (a) M/s FWO to ensure minimum disturbance to the rock strata and endeavor to main 7.3m pavement while compromise can be made with the shoulders. In this regard, cement concrete shoulders be provided.
- (b) M/s FWO must identify Design and Supervisory Consultant that they will engage for the project.
- (c) Alternate route plan of M/s FWO during the construction of the road so that the present road will remain operational.

- (d) To accommodate trainee engineers of the local population in the construction of the project.

19.2 Decision Made by NHA Executive Board

NHA Executive Board approved in principle to proceed on Alternate Proposal of M/s FWO for technical discussion / clarifications and rationalization of bid cost to firm up scope and cost of the EPC Project (Confirmed Minutes of 272nd NHA Executive Board Meeting are attached at **Annexure-XVI**).

20. Clarification Meetings in Light of NHA Executive Board Decision

As per decision of NHA Executive Board (272nd Meeting, January 16, 2017) for proceeding on Alternate Proposal submitted by M/s FWO for technical discussions / clarifications and rationalization of bid cost to firm up scope of work and cost of the EPC project, series of clarification meetings between Evaluation / Clarification Committee of NHA and M/s FWO were held (letters alongwith attendance sheets attached at **Annexure-XVII**). Minutes of Clarification Meetings stating salient features of Alternate Proposal and decision are attached at **Annexure-XVIII**.

21. Volunteer Discount by M/s FWO on Alternate Proposal

During the course of clarification meetings, M/s FWO offered a volunteer discount amounting to **Rs.1,573,651,382** vide letter No. 444/JS Rd/Plans/CS dated 17th March 2017 (**Annexure-XIX**). As a result the final price bid of M/s FWO is of **Rs. 31,000,000,000**.

22. Comparison of Alternate Proposal After Discount

The summary of evaluation emerged out after discount made during clarification process is tabulated below which indicates the amount of initial Alternate Proposal and discounted offer of M/s FWO and its variation with respect to **PC-1 EPC Cost of Rs. 21,699,970,000 (CSR-2009+9.1% Premium)**:

Initial (Quoted) Bid Price (Rs.)	Discount offer by FWO (Rs.)	Discounted Alternate Proposal (Rs.)	Variation from PC-1 EPC Cost
32,573,651,382	1,573,651,382	31,000,000,000	42.86% Above

Summary of Comparative Statement is placed at **Annexure-XX**. The comparison of each comparable item of BOQ vis-à-vis bidder and PC-1 EPC Cost for assessment of price and rate-trend is placed at **Annexure-XXI**.

23. Agenda Presented in 276th NHA Executive Board Meeting

23.1 The agenda was presented again in 276th NHA Executive Board meeting for seeking guidance on point of conflicts of clarification process and to accord approval in principle for consideration of award of the project Improvement, Upgradation and Widening of Jaglot – Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey) to the lowest evaluated bidder i.e M/s Frontier Works Organization at their discounted Alternate bid price of Rs.31,000,000,000 (Rupees Thirty One Billion only) which is 42.86% above the approved PC-I EPC Cost of Rs. 21,699,970,000 based on CSR-2009+9.1% subject to fulfillment of following conditions:

- a. Approval of Revised PC-I for the agreed scope of work of alternate proposal.
- b. Arrangement for financing minimum 85% of total project cost by the contractor and approval of Terms and Conditions / Singing of Loan Agreement by Government of Pakistan.


23.2 Deliberation / Decision of NHA Executive Board

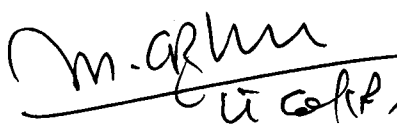
The NHA Executive Board after deliberation approved in principle the award of Project subject to fulfillment of pending formalities (Confirmed Minutes of 276th NHA Executive Board Meeting are attached at **Annexure-XXII**).

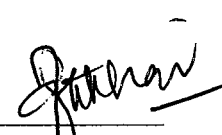
24. Recommendations of Bid Opening / Evaluation Committee

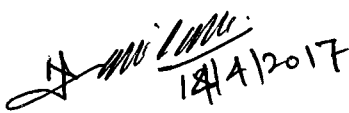
The Committee unanimously recommends that the case may be forwarded to the Tender Acceptance Committee for award of Works for **Improvement, Upgradation and Widening of Jaglot – Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey)** to the lowest evaluated bidder **M/s Frontier Works Organization**, at their discounted Alternate bid price of **Rs.31,000,000,000** (Rupees Thirty One Billion only) **(Excluding Provisional Sum)** which is **42.86% above** the approved **PC-1 EPC Cost of Rs. 21,699,970,000 based on CSR-2009+9.1% Premium** subject to fulfillment of following conditions:

- (i) Approval of Revised PC-I for the agreed scope of work of alternate proposal.
- (ii) Arrangement for financing minimum 85% of total project cost by the contractor and approval of Terms and Conditions / Singing of Loan Agreement by Government of Pakistan.



Director (P&CA)
Secretary

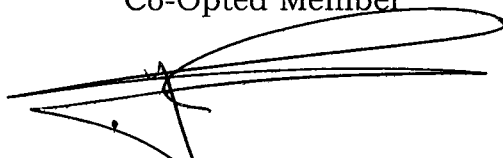

Sr. Proc. & Contract Spt.
Co-Opted Member



Director (PPP)
Co-Opted Member


Director (QS)
Co-Opted Member

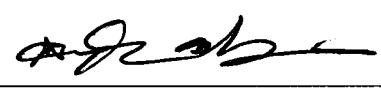

Director (Planning)
Member


Director (Accounts)-GOP
Member


Director (EC)/Const.
Member


General Manager (Design)
Co-Opted Member


General Manager (Finance)
Co-Opted Member


General Manager (Planning)
Co-Opted Member


General Manager (P&CA)
Chairman

Member (Engg.-Coord):

25.

Subject: **ACCEPTANCE OF TENDER FOR:
Improvement, Upgradation and Widening of Jaglot – Skardu
Road on Supplier / Buyer Credit Basis (EPC / Turnkey).**

26. In accordance with the procedures prescribed in NHA Code and its subsequent modifications communicated vide Office Order No. 22(1)-Admn(P-1)/NHA/15/11, dated 05-01-2015, the Tender Acceptance Committee, chaired by Chairman NHA, reviewed the Bid Evaluation Report for the subject works. Following are the Committee Members:

i.	Chairman NHA	...	Chairman
ii.	Member (Finance)	...	Member
iii.	Member (Planning)	...	Member
iv.	Member (Engg.-Coord)	...	Member/Secretary

27. The Committee members reviewed in detail the Bid Evaluation Report and unanimously agreed with the Price Bid Evaluation Report.

Recommendations:

28. The Tender Acceptance Committee unanimously recommends that the Works for **Improvement, Upgradation and Widening of Jaglot – Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey)** be awarded to the lowest evaluated bidder **M/s Frontier Works Organization**, at their discounted Alternate bid price of **Rs.31,000,000,000** (Rupees Thirty One Billion only) **(Excluding Provisional Sum)** which is **42.86% above** the approved **PC-1 EPC Cost of Rs. 21,699,970,000 based on CSR-2009+9.1% Premium** subject to fulfillment of following conditions:

- (i) Approval of Revised PC-I for the agreed scope of work of alternate proposal.
- (ii) Arrangement for financing minimum 85% of total project cost by the contractor and approval of Terms and Conditions / Singing of Loan Agreement by Government of Pakistan.

Member (Engg.-Coord)
Member / Secretary

Member (Planning)
Member

Member (Finance)
Member

Chairman, NHA

Chairman Tender Acceptance Committee

QUALIFICATION CRITERIA

INSTRUCTIONS TO BIDDERS AND APPENDICES

(A) GENERAL

IB.1 Scope of Bid and Source of Funds

1.1 Scope of Bid

National Highway Authority, Islamabad, Pakistan (hereinafter called the "Employer") wishes to receive Bids on EPC/Turnkey on Supplier's/Buyer's Credit basis for the scope of work which includes, but shall not be limited to:

The Project of Jaglot – Skardu Road is located in northeast of Pakistan. The Works to be executed under this Contract comprise Design, Design review/ Design updation, Construct and Maintenance on EPC/Turnkey on Supplier's/Buyer's Credit basis.

Design, Design review and updation

The Works to be executed under this Contract comprise of Design preparation and its review, construction and maintenance on EPC 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, 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.

The available design and drawings (if any) for the Jaglot – Skardu Project will be reviewed by the Construction firm. Any mistakes/ deficiencies observed in the design and recommendations for its improvement, shall be incorporated in the design by the Bidder/Construction firm. Any additional information, investigation, survey, study or verification (of *document provided*) shall be done by the Construction firm. The Construction firm shall prepare the Design and Construction drawings after carrying out necessary investigation, survey, study, verification, *review and updation of available design*, and thereafter **shall assume full responsibility for the soundness and safety of the Design.**

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

1. Detailed Engineering Design of Project based on Employer's Requirement and specification. Prior to this, the bidder has to review Employer's Requirement and concept/preliminary design provided with the bid document. 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.
2. Getting the design vetted from Employer and making necessary correction if required before start of work.
3. Construction and completion of project including maintenance and defect liability period as required.

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Construction work items

- Construction of the road to Bituminous pavement standard
- Site clearance and top soil stripping
- Earthworks
- Demolish and removal of substandard structures and vented Causeways if any
- Constructing Bridges
- Constructing Culverts
- Construction of Minor and Major drainage works
- Constructing Bituminous pavement
- Construction of Road furniture
- Construction of any other operation ancillary to the main works
- Maintenance of works during construction. The defects liability period shall be 36 months
- And other necessary works to meet the Employer's requirement

A detailed scope of work has been described in the Employer's Requirements in these documents. The successful Bidder will be expected to complete the Works within the stipulated period of 48 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.

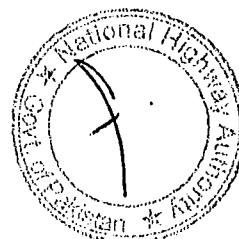
1.2 Source of Funds

Construction firm and Supplier/ Buyer shall be responsible for financing minimum 85 % of the total development cost in the form of a Supplier/ Buyer credit while remaining financing will be borne by Government of Pakistan. Bidders are required to mention the terms and condition of credit financing (Supplier's credit proposal / Buyer's credit proposal) in schedule M.

1B.2 Eligible Bidders

- 2.1 Bidding is open to all firms from eligible countries as per Appendix 'A' to Instructions to Bidders. Pakistani Firms should be Duly licensed by the Pakistan Engineering Council (PEC) in Category C-A with specialization in **CE-01, CE-02 & CE-10** for the year **2016**.

Foreign firm wishing to perform any construction of engineering works in Pakistan shall obtain an appropriate license (specific project) from the Pakistan Engineering Council (PEC), as per PEC Byelaws, before initiating any activity.



IB.3 Eligible Goods and Services

- 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 (if not available locally) 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 sub-assembly and major assembling of components, a commercially recognized product results that is substantially different in basic characteristics or in purpose or utility from its component parts.
- 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**

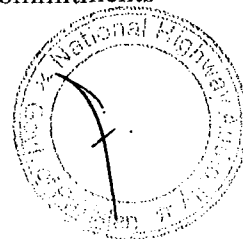
- 5.1 In addition to Invitation for Bids, the Bidding Documents are those stated below, and should be read in conjunction with any Addenda issued in accordance with Clause IB.7.

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 Program of Works
- (v) Schedule E: Work to be Performed by Subcontractors
- (vi) Schedule F: Deviations from Technical & Contractual Provisions
- (vii) Schedule G: Specific Operation/ Plant and Equipment Details
- (viii) Schedule H: Specimen JV Agreement
- (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
 - (iv) Schedule M: Terms & Condition for Credit financing
 - (v) Schedule N: Detail of Expenditure (foreign currency component)
4. Schedule of Prices & Schedule of Payment
 5. Contract Data Sheet
 6. General Conditions of Contract (GCC)
 7. Particular Conditions of Contract (PCC)
 8. 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
9. Scope of Work
 10. The Employer's Requirement
 11. Specifications
 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.

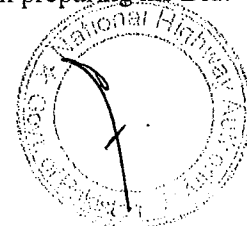
IB.6 Clarification of Bidding Documents

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 for Proposal". Employer will examine the request for clarification of the Bidding Documents which it receives not later than fourteen (14) days prior to the deadline for the submission of bids and if needed will issue the clarification/addendum of the Bidding Documents before the date of submission of Bids by uploading the same on the website: www.nha.gov.pk .

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 the website: communicated in writing to prospective bidders (through email). 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

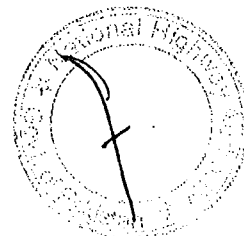
- 8.1 The Bid prepared by the Bidder and all correspondence and documents relating to the Bid, exchanged by the Bidder and the Employer shall be written in the English language, provided that any printed literature furnished by the Bidder may be written in another language so long as accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the Bid, the English translation shall govern.

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 N) 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.
 - (g) Documentary evidence established in accordance with Clause IB.13 that the Bidder is eligible to Bid and is qualified to perform the Contract if its Bid is accepted (past performance and present commitments to be filled in as per schedule I to Bid).
 - (h) Documentary evidence established in accordance with Clause IB.14 that the Plant and ancillary Services to be supplied by the Bidder are eligible Plant and Services and conform to the Bidding Documents.
 - (i) 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 the Instructions shall also be filled in to substantiate claim for domestic preference.
 - (j) Any other documents prescribed in Particular Conditions of Contract or Technical Provisions to be submitted with the Bid.

IB.10 Letters of Bids and Schedules

- 10.1 The Bidder shall complete, sign and seal the Letters of Bids, Schedules (A to N, 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 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) **Group 'A' Bid.** (i) For Goods for which labour, raw materials and components from within 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) **Group 'B' Bid.** For Goods manufactured in Pakistan for which the domestic value added in the manufacturing cost is less than 20% of the ex-factory bid price; and
- (c) **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

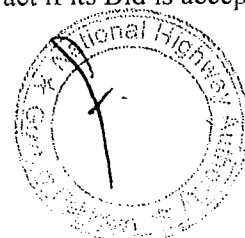
- 11.1 The Bidder shall fill up the Schedule of Prices attached to these documents indicating the lumpsum prices of the Works to be performed under the Contract. Prices on the Schedule of Prices shall be entered keeping in view the instructions contained in the Preamble to the Schedule of Prices.
- 11.2 The Bidder shall fill prices for all items of the Works described in the Schedule of Prices. Items against which no price is entered by a Bidder will not be paid for by the Employer when executed and shall be deemed covered by 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 The prices shall be quoted by the bidder entirely in Pak rupees. A bidder expecting to incur expenditures in other currencies for inputs to the Works supplied from outside the Employer's country (referred to as the "Foreign Currency Requirements") shall indicate the same in Schedule-N to Bid. The proportion of the bid Price (excluding Provisional Sums) needed by Bidder for the payment of such foreign currency Requirement, shall indicate the respective portions in his bid.
- 12.2 The rates of exchange to be used by the bidder for currency conversion shall be the TT&OD Selling Rates published or authorized by the State Bank of Pakistan prevailing on the date 28 days prior to the deadline for submission of bids.
- 12.3 The currencies of payment shall be as stated in Particular Conditions of Contract.

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) Contract with a minimum value of US\$ 190 Million during the last seven years.
- ii. design capacity to undertake the project i.e. experience of designing of highways and bridges. Bio Data of proposed professional must be attached such as Bridge Design Engineer, Highway Design Engineer, Quantity Surveyor, Quality Control / Material Engineer, Chief Surveyor, etc.

Documentation regarding the Bidder's experience on previous similar contracts must accompanied with each Bid. The data / documents provided by the Applicants needs to be submitted with Technical Bid (Minimum requirements are Power of Attorney, Similar/Specific Experience alongwith award and completion certificates, Constitution of Company / Memorandum of Association etc. describing details of mother firm and all subsidiaries as the case may be, Financial data including Financial Statements and Bank reference letters, personnel Current commitments of the bidder) with authentication / notarization from the respective Embassies in Pakistan or their appropriate offices through Pakistan Mission or from the foreign offices of applicants in the country of origin duly counter attested by Embassy of Pakistan.

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.

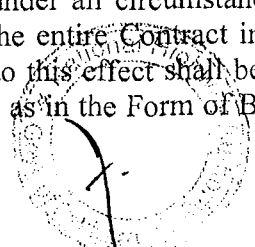
Bidders shall furnish documentary evidence of qualification on the Form "Evidence of Bidder's Capability" (Appendix B to these Instructions).

- (b) The Bidder should have an Average Annual Turnover, Average Networth and Working Capital in the last three years equal to or more than Minimum threshold mentioned in IB. 26.

13.5 Joint Venture

In order for a Joint Venture to qualify:

- (a) All members of JV must have valid registration by PEC; a foreign bidder / member of JV, must provide to the Employer its valid registration prior to the last date for submission of bids or shall submit evidence of submission of application to PEC alongwith bank challan of requisite fee for Project Specific License in their Technical Bid.
- (b) At least one of the partners of joint venture shall satisfy the relevant experience criteria specified in Sub-Clause 13.4(a) hereinabove.
- (c) All firms comprising the joint venture shall be legally constituted and shall meet the eligibility requirement of Sub-Clause 2.1 hereof.
- (d) 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 (g) below as well as in the Form of Bid and Form



of Contract Agreement (in case of a successful Bidder).

- (e) 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.
- (f) 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.
- (g) 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.
- (h) 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. Employer at his discretion will evaluate the plant, equipment or goods of only one of such Manufacturers.

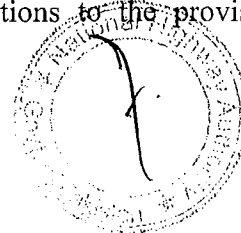
IB.14 Documents Establishing Plant's Eligibility and Conformity to Bidding Documents

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 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 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) A detailed description of the Plant, essential technical and performance characteristics.
- (b) 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) 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) 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) Any other information which is required for evaluation purposes.
- (c) 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 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 Pak Rupees four hundred million or an equivalent amount in any freely convertible currency.
- 15.2 The Bid Security shall be, at the option of the Bidder, in the form of Deposit at Call or a Bank Guarantee 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 **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 in which case, the Employer will be obligated to compensate the Bidders, upon substantiation for their increase in costs (if it is a fixed price bid).

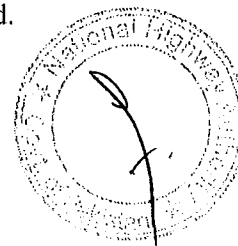


IB.17 Format and Signing of Bid

- 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 N) 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 three (03) Copies, 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.
- 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.
- 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 three COPIES 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 COPIES 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.
- 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 or sent by registered mail at the address to Employer as mentioned in the Invitation to Bids.
- 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 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 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, terms & conditions such as (i) Offered credit amount, (ii) rate of interest, (iii) re-payment period, (iv) grace period 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 Lump sum 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) the Bid is complete and does not deviate from the scope,
 - (ii) any computational errors have been made,
 - (iii) required sureties have been furnished,
 - (iv) the documents have been properly signed,
 - (v) the Bid is valid till required period,
 - (vi) the Bid prices are firm during currency of contract if it is a fixed price bid,
 - (vii) completion period offered is within specified limits,
 - (viii) the Bidder is eligible to Bid and possesses the requisite experience,
 - (ix) the Bid does not deviate from basic technical requirements; and
 - (x) the Bids are generally in order.
- (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.

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/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/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 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 28 days prior to bid submission.

IB.26 Detailed Evaluation of Bids

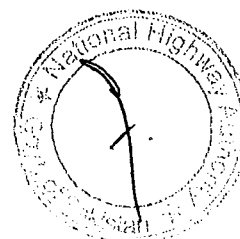
- 26.1 Only the Bids previously determined to be substantially responsive pursuant to Clause IB.24 will be evaluated and compared in detail by the Employer as per the requirements given hereunder:

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 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.

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

Sr. No.	General Screening of Technical Evaluation of various parameters		Minimum threshold details as per project type	Pass / fail
i	Experience	General Experience of the firm as per schedule-I		
		Particular Experience of the firm as per schedule-I	One project of similar nature of amount equal to US\$ 190 million completed during the last seven years.	
ii	Competence	Design capacity as per IB 13.4 (a) (ii)		
		Construction Schedule / Work Methodology / Resource Scheduling Plan as per schedule-B, C and D		
		Available Resources of the firm i.e. Equipment and Manpower as per schedule-G		
iii	Performance	Past performance as per schedule-I		
		Current work commitments as per schedule-I		
iv	Financial	Financial soundness as per IB 13.4 (b) a. Average Annual Turnover of last 3 years b. Average Net Worth c. Working Capital	US\$ 60 million US\$ 38 million US\$ 19 million	



(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 Daywork.
- (iii) making an appropriate adjustment for any other acceptable variation or deviation.

The evaluation of proposal would be done by financial analysis method taking into account the following:

- (i) EPC Bid Price
- (ii) Terms and Conditions of Supplier/Buyer credit

26.3 Evaluation Methods

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

- (a) Price Adjustment for Completeness in Scope of Work
- (b) Price Adjustment for Technical Compliance
- (c) Price Adjustment for Commercial Compliance
- (d) Price Adjustment for Deviations in Terms of Payment
- (e) 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.

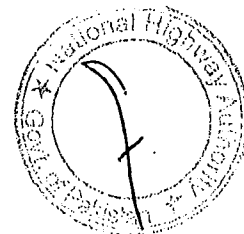
The price adjustment shall not justify any additional payment by the Employer. The price(s) of omitted item(s) shall be deemed covered by other prices of the Schedule of Prices.

(ii) Price Adjustment for Technical Compliance

The cost of making good any deficiency resulting from technical non compliance 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 Employer 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) 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 LIBOR+1% for foreign currency component and KIBOR + 3% for local currency component 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 Contract Data Sheet, no credit will be given in this evaluation.

Bids indicating completion period later than the period set out in Contract Data Sheet shall be adjusted in the evaluation by adding a factor of 0.05% of the Corrected Total Bid Price for each calendar day of completion later than specified period of the completion.

Bids indicating completion beyond 180 days later than the dates set out in Contract Data Sheet shall not be considered and rejected as non-responsive.

26.3.2 The evaluation of proposal would be done by financial analysis method taking into account the following:

- (i) EPC Bid Price
- (ii) Terms and Conditions of Supplier/Buyer Credit

Terms and Conditions of Supplier/Buyer Credit shall be analyzed by considering non Credit portion of EPC price, Credit amount of EPC price, annual interest rate, re-payment period, Grace period and other with a view to comparing different nature of credit proposal (Supplier/ Buyer).

The bidder having the most economical Financial Package (EPC Bid Price and Terms and Conditions of Supplier's/Buyer's Credit) will be adjudged the lowest bidder.

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

27.1 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 The Employer/Employer will first review the Bids to determine, the Bid group classification in accordance with Sub-Clause 10.2 hereof.

27.3 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 The lowest evaluated Bid of each Group shall first be determined by comparing all evaluated Bids in each Group among themselves taking into account:
- 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.
 - 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.
 - 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 The price preference to Group A bids will be:
- 15% of the ex-factory bid price, if the value addition through indigenous manufacturing is at least 20%;
 - 20% of the ex-factory bid price, if the value addition through indigenous manufacturing is over 20% and up to 30%; and
 - 25% of the ex-factory bid price, if the value addition through indigenous manufacturing is over 30%.
- 27.6 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 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.

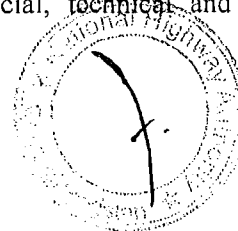
(F) AWARD OF CONTRACT

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 bidder's capacities, may require the bidder to provide information concerning their professional, technical, financial, legal or managerial competence whether already qualified or not:

Provided that such qualification shall only be laid down after recording reasons thereof 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 Bidder whose Bid has been determined to be substantially responsive to the Bidding Documents and who has offered the most economical financial proposal, 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 Quantities

- 31.1 Employer reserves the right at the time of award of Contract to increase or decrease by up to 15% the quantity 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. Prior to finalization of evaluation of Bids, the lowest evaluated responsive Bidder may be asked for a presentation regarding his proposal. These meetings must be attended by the Bidder and its engineers/consultants. The main purpose of the meeting will be to allow the Employer to seek clarification on any technical and financial package of the bid.

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 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.

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.

IB.41 Alternate Proposals by Bidder

- 41.1 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 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 assist the Bidder wherever practicable and possible.
- 42.2 All Bidders are required to visit the site at their own expense to review the area required for the execution and completion of the Work and other related information, 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 4th May 2016 at 1100 hours at NHA Auditorium located at 27-Mauve Area, G-9/1, Islamabad.

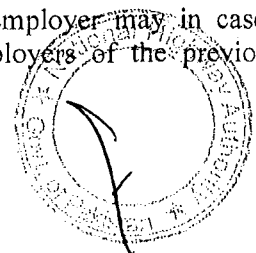
All prospective Bidders or their authorized representatives shall be invited to attend such a Pre-Bid meeting.

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 for all Federal Government procurement contracts exceeding Rupees ten million. 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



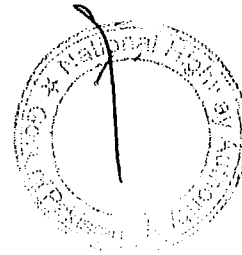
awarded contracts, interalia, reject his bid and/or refer the case to the Pakistan Engineering Council. Upon such reference, PEC in accordance with its rules, procedures and relevant laws of the land take such action as may be deemed appropriate under the circumstances of the case including black listing of such Bidder and debarring him from participation in future bidding for similar works.

(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: Domestic Goods (value added in Pakistan)

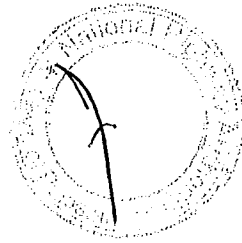
Appendices are given here below:



Appendix A to
Instructions to Bidders

NAME OF ELIGIBLE COUNTRIES

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



**Appendix B to
Instructions to Bidders**

EVIDENCE OF BIDDER'S CAPABILITY

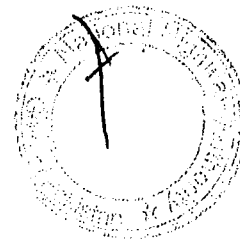
Note: Bidders to provide the following information with the Bid separately and indicate herein its references where this information is available.

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.	(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 and projected assets and liabilities for the next two (2) 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) Has completed at least one (1) highway Contract of similar nature with a minimum value of US\$ 190 Million during the last seven years. (Schedule-I to bid)	
	(b) Design capacity to undertake the project i.e. the experience of designing of highways and bridges.	
5.	Reference lists of similar works done by the Bidder in its country and abroad indicating the name of customer, description and quantity of product, year of supply and the approximate value. This is an important consideration and should be filled in with full details (attach separate sheet if needed)	
6.	Details of projects under execution and future contractual commitments (for each partner, in case of a joint venture).	
7.	(a) Banking reference, names of banks and address 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 OD limit allowed to the firm by the bank for the business including amount and its validity period.
- 8. Health, Safety and emergency plan as well as Risk Management plan for the project.
- 9. Detailed/ Integrated work plan along with methodology to complete the assignment.
- 10. 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

Domestic Goods (Value added in Pakistan)

[Bidders claiming eligibility for domestic preference should fill in for supply items only, all columns hereunder and provide necessary documentation to substantiate their claim.]

Sr. No.	Description of Indigenous Goods	Unit	Qty	Total Price of Goods Ex-Factory (Pak Rs.)	Domestic value added in the manufacturing cost as percentage of Ex-Factory Price	Amount of value addition (Pak Rs.)
1	2	3	4	5	6	7
Total in columns 5 & 7						

Computations:

- A. Total amount of Value Addition (from Col.7) Rs _____
- B. Total Ex-Factory Price of Indigenous Goods (from Col.5) Rs _____
- C. Total DDP Price of imported supply items Eqv.Rs _____
- D. Total Price of supply items [B+C] Eqv.Rs _____
- E. % of value addition = $[(A/D) \times 100]$ _____ %
- F. Domestic Preference = (15,20 or 25)% of B Rs _____



NATIONAL HIGHWAY AUTHORITY

Procurement & Contract Administration Section
28 Mauve Area, G-9/I, Islamabad ☎ 051-9032727, 📠 051-9260419

No. 2(331)/GM(P&CA)/NHA/2016/S/15

03 June, 2016

To,

All Prospective Bidders

Subject: **ADDENDUM NO. 1:**
Improvement, Upgradation and Widening of Jaglot - Skardu
Road on Supplier / Buyer Credit Basis.

Please find enclosed herewith Addendum No. 1 to the Bidding Documents regarding subject project for your information and further necessary action.


(PARVEZ IQBAL SULEHRI)
General Manager (P&CA)

Enclosure: As above.

Cc:

- Member (Engg.-Coord), NHA, Islamabad.
- Director (P&CA)-I, NHA, Islamabad.

ADDENDUM NO. 1

IMPROVEMENT, UPGRADATION AND WIDENING OF JAGLOT - SKARDU ROAD ON SUPPLIER /BUYER CREDIT BASIS

The following changes have been made in the Request for Proposal (RFP), under this Addendum No. 1, which shall be read and construed as an integral part of the Request for Proposal and shall take precedence in case of any conflict / ambiguities in this Addendum No. 1 and other provisions of the Request for Proposal.

1. TIME FOR COMPLETION:

Refer Request for Proposal (RFP):

- (i) Page-6 of Instructions to Bidders and Appendices, IB.1, 1st paragraph under the heading "Construction Works Items", 2nd line.
- (ii) Page-61 of Schedule-K to Bid of Letter of Technical Bid & Schedules to Bid,
- (iii) Page-97 of Contract Data Sheet, Sub-Clause 1.1.3.3,

"48 months" be replaced with "36 months".

2. INSTRUCTIONS TO BIDDERS AND APPENDICES:

- (i) Refer page-14 of RFP, IB.17.4 and IB.18.1(a), first line of each:

"Three (03) Copies" be replaced with "One (01) Copies".

- (ii) Refer page-14 of RFP, add following paragraph at the end of IB.18.1(a):

"All bidders are required to make part of envelope containing Technical Proposal a duly signed and stamped copy of issued RFP / Bidding Documents by NHA and all addendums. National Highway Authority may declare such bid non-responsive which is not accompanying the stated documents."

- (iii) Refer page-14 of RFP, IB.18.3, stands deleted and replaced with the following:

"The Bid shall be delivered in person."

- (iv) Refer page-23 of RFP, add following paragraph under IB.39: One Bid Per Bidder:

"39.2 All prospective bidders are informed that parent company with its subsidiary(s) and two or more subsidiaries of same parent company are not allowed to participate in this bidding process at a time (simultaneously). If such fact is noticed by Employer during bidding process then both or all such firms shall be declared disqualified in the process. If any bidder having conflict of interest as explained above somehow wins the project then its contract will be terminated and necessary legal action may be initiated against such contractor."



3. **SCOPE OF WORK:**

Refer pages-120 & 121 of RFP, both the referred pages stands deleted in entirety.

4. **THE EMPLOYER'S REQUIREMENTS:**

Refer pages-126, 127, 133, 134 & 137 have been deleted and replaced with the revised pages attached at "Annex-I, II, III, IV & V", respectively.

5. **SPECIFICATIONS:**

Following Specifications attached at "Annex-VI" be added / inserted after the page-145 of RFP:

- (i) NHA General Specifications-1998 and its addenda (complete book).
- (ii) Supplementary Specifications.

6. Other terms and conditions shall remain same.

.....



Annex-I

- Material Testing: ASTM (American Society for Testing and Materials) and (American Association of State Highways and Transportation Officials). (Latest Edition)

For analysis and design of structures following codes, standards and loads will be adopted.

- i. **AASHTO (Current Edition):**
For analysis and design for all loads and load combinations, AASHTO current edition be used.
- ii. **ASTM:**
For material specifications & testing only in case where details are not specified in AASHTO.
- iii. **ACI:**
For analysis, design and detailing, only in case such details are not specified in AASHTO.
- iv. **Check Deck Slab for Punching Shear:**
Deck slab thickness should not be less than 8 inch (205mm).
Concrete strength should not be less than 4000 Psi (28Mpa)
- v. **Seismic design**
Earthquake forces are calculated according to AASHTO. Peak Ground Acceleration will be considered accordingly as per Pakistan Building Code 2007.



Annex-II

2. General Requirement

2.1. Contract Duration

The contract duration for the project is 36 months.

2.2. Project Schedule

The Contractor shall submit a project schedule to establish contract duration as per the conditions of the contract. The Proposed work schedule should allow 28 working days for the Employer's representative review. The minimum of activities shall be those listed below:

- Anticipated Award Date
- Design Survey
- Geotechnical Investigation
- Design Submittals
- Design Review by the Employer's representative for conformity with Employer's Requirements
- Design Review/ Acceptance Milestones
- Construction Mobilization



4. Geometric Design

4.1. General

Design and construct the roadways in accordance with the requirements of this section, including referenced standards and publications, performance requirements, design and construction criterion, and required submittals.

4.2. Performances requirements

The Design -Builder shall provide the engineering services required to furnish the work products identified in the contract. The service includes the tasks of data preparation, data interpretation, and design of construction documents. The design and construction documents shall be prepared by (or under the direction of) professional highways engineer. The Contractor shall design all roadway geometries including horizontal alignment, vertical alignment, cross section elements and super elevation in accordance with the design criteria of this section.

The design and construction shall meet the following requirement.

1. Maintain a safe environment for road users and give special consideration to eliminate potentially hazardous conditions.
2. The Design- Builder shall coordinate and ensure that the project design accommodates and allows for the design of technically and environmentally sound project.

4.3. Design Criteria

The Construction Firm shall conduct all work necessary to complete the design and construction of the road geometry in coordination with all other elements of work required for the project.

The Construction Firm shall design and construct the road to the relevant level standard as indicated in this Contract Document.

Main Technical Indexes

Sr. No.	Parameter	Unit	Rolling Terrain	Hilly Terrain (upto max of 25 km)
1	Design Speed	133 Km/h	90	60



Annex-IV

2	Formation Width	M	12.3	9.1
3	Width of Travelled way (carriageway)	M	7.3	6.1
4	Width of Shoulders in open fill areas in rocky areas	M	2.5m on either side	1.5 on either side
5	Cross slope Carriageway Shoulders	%	2 4	2 4

Note: The length of the 6.1m carriageway width section shall be less than 25 Km.

4.4. Construction Quantities

The Construction Firm shall submit constructions Quantities to the Employer's representative. The Contractor shall prepare quantity takeoffs, tabulations and backup calculations for QC/QA purpose. The calculated quantities for the items of construction shall be based on the final design drawings. The earthwork quantities shall be derived from calculation based on the field cross sections along the road centerlines.

4.5. Plan Submittal Requirements

The Construction Firm shall produce plans & specification that aid & facilitate design review by the Employer's Representative and provide adequate information for safe, efficient & high quality construction. The plans shall include (at a minimum) the following items:



Annex-V

material for the construction of the road, and shall provide for the hauling, processing, laying and compaction of the materials in his Lump Sum Price.

5.4 Crushed Stone Sources

The Contractor shall identify sources of crushed stone for surface dressing, concrete and subsoil drainage purposes, and shall provide for the acquisition of suitable quality material as specified in Technical Specification, Section II.

Investigations carried out during preliminary engineering did not indicate a possible source of stone suitable for crushing into aggregate.

5.5 Sand for Concrete Works

The Contractor shall identify sources of sand for concrete and other building works and provide in his Lump Sum Price for the procurement of adequate quantities of this material as per Technical Specification, Section II.

5.6 Water for Construction

The Construction Firm shall identify sources of water for construction, and provide in his Lump Sum Price for the procurement of adequate quantities of water that comply with the specifications in Technical Specification, Section II.

5.7 Structure Design will be for 75 years design life.

6. Hydrology/Hydraulics

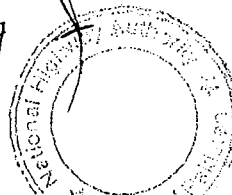
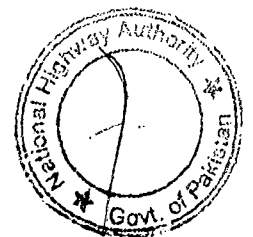
6.1 General

A hydrological study shall be carried out to:

- Establish the hydraulic condition and adequacy of the existing structures along the road, and
- Identifying places where additional new structures are required.

The following activities need to be undertaken.

- 1:50,000 and 1:250,000 topographical scale maps shall be arranged by the Contractor for catchments delineation if



SPECIFICATIONS -

- (i) NHA General Specification-1998
and its Addenda
- (ii) Supplementary Specifications



Target - Standard Road

Addendum #1 :

GENERAL SPECIFICATION

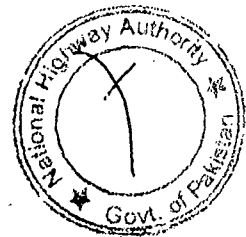
National Highway Authority (NHA)
General Specifications (Dec 1998)
and its Addenda
(Complete Book)



Taylor-Stearns Road

Addendum # 1

Supplementary Specifications



Supplementary Specifications

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Supplementary Specifications**SUPPLEMENTARY SPECIFICATIONS****SS – 1 Progress Report**

The Contractor shall submit to the Employer 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 condition precedent to the payment of Contractors Bills by the Employer. One week in advance the Contractor shall submit for the Employer's approval, particulars of the work he proposes to execute within the following two weeks.

SS – 2 Attendances of Meetings

- (a) The Contractor shall attend and shall cause his Sub-Contractors to attend any or all meetings when called by the Employer or the Engineer to discuss progress of the Work and other matters related to the Work and the Contract, without any compensation from the Employer.
- (b) The Contractor shall bear all expenses of the Employer and representatives and the Engineer, and representatives for any meetings requested by the Contractor for instructions and approvals away from the site within or outside Pakistan.

SS – 3 Supply of Bitumen and Cement, etc

The Contractor shall arrange and ensure timely supply of Bitumen. Cement and other materials required in the Work. The Employer does not assume any responsibility for the supply of materials. However, the Employer shall issue a certificate of the estimated requirement of the quantity of Bitumen and Cement at the specific request of the Contractor.

SS – 4 Electric Supply

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

SS – 5 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, wharfage 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:



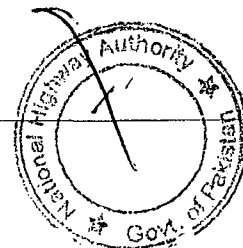
Supplementary Specifications

- (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, traveling 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 construction 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 – 6**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, 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.



Supplementary Specifications

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 – 7 Rates inclusive for all Lead and Lift

The tendered rates shall include all lead and lift required in earthwork.

SS – 8 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 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 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, 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 – 9 Time for Completion of Works

The Work is required to be completed in the time stated in Appendix of Tender, 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 Appendix, then such shorter time governs.

SS – 10 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 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 – 11 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 the Chairman (NHA) or his authorized representatives either



Supplementary Specifications

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's representative 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 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 – 12 Access and Canal Roads

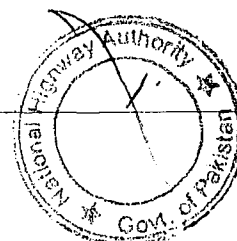
If the Contractor finds it necessary or elects to use existing canal roads, the Contractor shall make all necessary arrangement and obtain all permits from the provincial Irrigation Department for travel over and use of such canal roads. The Contractor shall observe all rules regulations of the Irrigation Department regarding the use of said canal roads. The cost of maintaining all necessary safety measures and temporary structures and making any necessary repairs, replacements or similar operations and all or any other costs required by reasons of his use of such canal roads shall be borne by the Contractor and the Contractor shall save harmless and indemnify the Employer in respect of all claims, demands, proceedings damages, costs, charges and expenses whatsoever arising out of or in relation to any such operation or interference.

SS – 13 Railway Traffic

Where construction work or operations of the Contractor are performed within the limits of the right-of-way of the Pakistan Railways, the Contractor shall cooperate with the railway administration in order to expedite the work and to avoid interference with the operation of the railway. Before performing any work on his sidings yards or on other transportation facilities adjacent to existing railways, the Contractor shall enter into an agreement with and shall meet all requirements of the railway administration within the area of the Contractor's operation for the protection of its lines against damage, interference with traffic or service thereon by the operations of the Contractor under this Contract. The Contractor shall not store or place any materials or equipment on the right-of-way of the existing railway in such a manner as to interfere with the operations of trains or the maintenance of the rail bed and track. In advance of any operation which may unavoidably interfere with the operation of the railway, the Contractor shall notify the superintendent of the corresponding Railway division in order that proper flagging or other protection may be provided. The cost of providing and maintaining all necessary safety measures, watchman guards, signals and temporary structures or making any necessary repairs, replacements or similar operations or furnishing indemnity or other required by this article shall be borne by the Contractor and the Contractor shall save harmless and indemnify the Employer in respect of all claims, demands, proceedings, damages costs, charges and expenses whatsoever arising out of or in relation to any such operations or interference.

SS – 14 Irrigation Flow

The Contractor shall conduct his operations so as to offer the least possible



Supplementary Specifications

obstruction for maintaining flow in irrigation canals, channels and water courses. The Contractor shall observe all rules and regulations of appropriate authorities regarding the interruption and maintenance of flow in irrigation canals, channels and water sources and the Contractor shall save harmless and indemnify the Employer in respect of all claims, demands, proceedings, damages, costs and expenses whatsoever arising out of or in relation to any such construction, operations or interference with irrigation flow.

The Contractor shall maintain alternate channels wherever temporary relocation of irrigation channels is required or where his operations disrupt the irrigation flow, without any compensation from the Employer.

SS – 15 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 in respect of all claims, demands, proceedings, costs, charges and expenses whatsoever arising out of or in relation to any such interference.

SS – 16 First Aid Facilities

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

SS – 17 Location of Contractor's Camp

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

SS – 18 Final Hand Over

At the end of the Defects Liability Period stipulated in the Contract, the Employer 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 Engineer will then issue a Defects Liability Certificate as provided under Clause 62.1 of Conditions of Contract.

SS – 19 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 or Private Party owing or responsible for the same elects to make good the damage.



Supplementary Specifications

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), 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.

SS – 20 Returns of Plant, Materials, etc

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

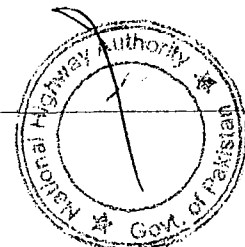
SS – 21 Method of Measurement

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, 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. All longitudinal measurement for area or volume will be made horizontally along the road centre 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. 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, 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. The Works shall be measured net notwithstanding any general or local custom except where otherwise specifically described or prescribed in the Contract.

SS – 22 Record of Measurements

The Contractor will supply to the Employer's Representative six (6) copies of the abstract of Contractor's certificate of payment every month along with 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.



Supplementary Specifications**SS – 23 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 – 25 As Built Drawings/Shop Drawings

During construction, the Contractor shall keep an accurate record of all deviations of his work as actually installed from that shown or indicated on the Contract Drawings upon completion of the Work, the Contractor shall deliver to the Employer cloth/milar paper tracings, the same size as Contract Drawings and at an approved scale showing the Work as actually installed. All Drawings are to become the property of the Employer.

All the shop drawings/fabrication drawings shall be prepared by the Contractor and submitted to the Engineer at least fifteen days before the start of the work. The Engineer shall check and approve or return the same to the Contractor for correction/modification within the period of 15 days from the day of receipt of the drawings. All work is to be executed by the Contractor in accordance with the drawings approved before the commencement of the works.

SS – 26 Safety Precautions

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

SS – 27 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 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 et, in accordance with the prevailing income tax laws of Pakistan.

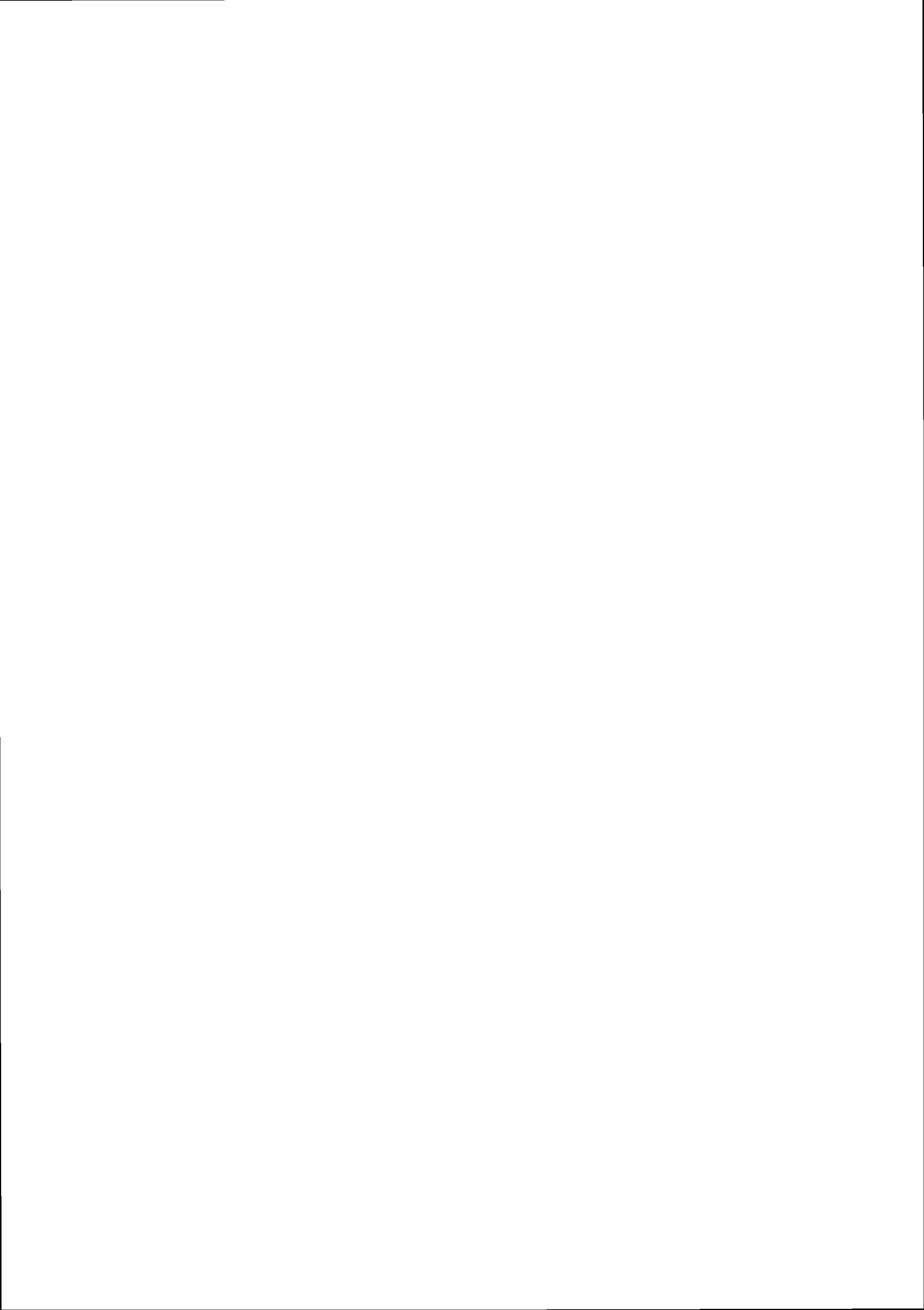
SS – 28 Satellite Imageries

Contractor shall provide satellite imagery of the project site before execution of work. Updated satellite imagery shall be provided on submission of each interim payment certificate. Provision of updated imagery shall be recorded in the measurement book. The cost of providing satellite imageries is deemed to be included in other items of BOQ.





**CONFIRMED MINUTES OF
EXECUTIVE BOARD MEETING**





Decision

14.6. The NHA Executive Board approved award of works for Improvement, Up-gradation and Widening of Jaglot – Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey) to the lowest evaluated bidder M/s Frontier Works Organization on Buyer Credit Basis, at their discounted Alternate bid price of Rs. 31,000,000,000/= (Rupees thirty one billion) (Excluding Provisional Sum), which is 42.86% above the approved PC-I EPC cost of Rs. 21,699,970,000/= based on CSR-2009+9.1% premium with the directions to expedite approval of revised PC-I and financing arrangements.

Action By : Member (Engg. Coord)

15. **Additional Agenda Item IV**
Approval of Technical Bid Evaluation Report for Improvement and Widening of Additional Two Lanes on either side from Thokar Niaz Baig to Hudyiara Drain, Multan Road, N-5 (10.170 Km)

Proposal

15.1. The NHA Executive Board is requested to approve the recommendations of Technical Bid Evaluation Report for the Works "Improvement and Widening of Additional Two Lanes on either side from Thokar Niaz Baig to Hudyiara Drain, Multan Road, N-5 (10.170 Km)" and permission to open the financial bids of following Technically qualified firms:

- a. M/s National Logistics Cell
- b. M/s Saadullah Khan & Brothers (SKB) - KNK Pvt. Ltd JV
- c. M/s Khalid Rauf & Co. (Pvt) Ltd.

Presentation

15.2. The GM (P&CA) presented the agenda and briefed the Board about the details of the case as under:

Scope of Civil Works.

Length of the Road	10.169 KM
Carriageway Width	2 x 15.5m
Total No. of Lanes	4+4 Lanes
Median	New Jersey Barrier



Recommendations of Tender Acceptance Committee. In view of recommendations made by Tender Evaluation / Clarification Committee, the Tender Acceptance Committee unanimously recommended that the Works for Improvement, Upgradation and Widening of Jaglot – Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey) be awarded to the lowest evaluated bidder M/s Frontier Works Organization, at their discounted Alternate bid price of Rs.31,000,000,000 (Excluding Provisional Sum) which is 42.86% above the approved PC-I EPC Cost of Rs.21,699,970,000 based on CSR-2009+9.1% Premium subject to fulfillment of following conditions:

- a. Approval of Revised PC-I for the agreed scope of work of alternate proposal.
- b. Arrangement for financing minimum 85% of total project cost by the contractor and approval of Terms and Conditions / Singing of Loan Agreement by Government of Pakistan.

Deliberation

14.3. The Chairman briefed that the Executive Board in its 276th meeting held on March 27, 2017 approved, in principle, the award of project subject to fulfillment of pending formalities, which were attended to and details are given above.

14.4. The Chairman enquired about the status of revised PC-I. The GM (P&CA) explained that the revised PC-I has been signed by the competent authority but yet not forwarded to Planning Commission for placement before CDWP/ECNEC. He further stated that QS Section has confirmed that cost of approved PC-I based on CSR-2009+9.1% for Battagram, if worked out on CSR-2014, it comes out Rs.30,127,394,696/=. No CSR for Gilgit – Baltistan is available; however, rates for Jaglot may approximately be considered 20% higher than Battagram due to hard and remote area. The Board directed to forward the revised PC-I immediately to the CDWP/ECNEC.

14.5. The Board deliberated and cleared the proposal with the direction to forward the revised PC-I to CDWP/ECNEC.



NHA Executive Board's Confirmed Minutes

Sr. No	Description / Design Parameters	Unit	Alternate Bid		Decision
			Rolling Terrain (50 Km)	Hilly Terrain (114 Km)	
Following points were also agreed by M/s FWO during 272 nd NHA Executive Board Meeting:					
16	M/s FWO to ensure minimum disturbance to the rock strata and endeavor to main 7.3m pavement while compromise can be made with the shoulders. In this regard, cement concrete shoulders be provided.				
17	M/s FWO will identify Design and Supervisory Consultant that they will engage for the project.				
18	M/s FWO shall ensure traffic flow during the construction of the road so that the present road will remain operational.				
19	M/s FWO will accommodate trainee engineers of the local population in the construction of the project.				
20	VOLUNTEER DISCOUNT BY M/S FWO ON ALTERNATE PROPOSAL; During the course of clarification meetings, M/s FWO offered a volunteer discount amounting to Rs.1,573,651,382 vide letter No. 444/JS Rd/Plans/CS dated 17th March 2017 . As a result the final price bid of M/s FWO is of Rs. 31,000,000,000.				

Comparison of alternate Proposal after Discount. The summary of evaluation emerged out after discount made during clarification process is tabulated below which indicates the amount of initial Alternate Proposal and discounted offer of M/s FWO and its variation with respect to PC-1 EPC Cost of Rs. 21,699,970,000 (CSR-2009+9.1% Premium):

<u>Initial (Quoted) Bid Price (Rs.)</u>	<u>Discount offer by FWO (Rs.)</u>	<u>Discounted Alternate Proposal (Rs.)</u>	<u>Variation from PC-1 EPC Cost (CSR-2009+9.1% Premium)</u>
32,573,651,382	1,573,651,382	31,000,000,000	42.86% Above

- a. If amount of alternate Bid of M/s FWO is calculated on the basis of CSR-2014, keeping the quantities same, the amount comes to Rs.30,253,013,709 which is almost at par with price offered by M/s FWO.
- b. If amount of approved PC-I is updated using rates of NHA CSR-2014 (Battagram), the PC-I cost comes to Rs.28,750,551,448 and bid price of M/s FWO (Rs. 31 Billion) becomes 7.82% higher than PC-I.



NHA Executive Board's Confirmed Minutes

Sr. No	Description / Design Parameters	Unit	Alternate Bid		Decision
			Rolling Terrain (50 Km)	Hilly Terrain (114 Km)	
7.	IB. 31.1 / Instructions to Bidders		Employer's right to increase or decrease 15% of the quantity without any change in unit rate at the time of award of contract shall not be applicable.		Increase/Decrease in quantities will be responsibility of the contractor as per FIDIC EPC / Turnkey Conditions of Contract.
8.	2.3 / Preamble to Schedule of Prices		Extra costs incurred due to increase in quantities at the time of review or amendment of design / drawings by the Employer will not be borne by the contractor.		Not Agreed. Cost effect due to change in scope of work will be dealt as per FIDIC EPC / Turnkey Conditions of Contract.
9.	SS21 / Supplementary Specifications		Line 5 & 6 in SS21 / Supplementary Specifications stating that if measured quantities are less than the measurement indicated in the specifications and drawings then the work actually executed shall be measured, will not be applicable to the alternate proposal.		Increase/Decrease in quantities will be responsibility of the contractor as per FIDIC EPC Conditions of Contract.
10.	Clause 1.1.3.7 / Contract Data Sheet PCC Clause 11.1 / Defects Liability Period		Defects liability period shall be 2 years (whereas Employer's Requirement is for 3 years).		Defect Liability Period will be 2 Years
11.	PCC Clause 12 / Tests after Completion		IRI = 2 - 2.5 m/Km		As per Alternate Proposal
12.	Schedule K to Bid Estimated Progress Payments				It should be for 36 Months instead of 48 Months.
13.	Design Life of Structures				Design life of bridges / Structures will be 75 Years instead of 50 years as proposed by M/s FWO in their alternate bid.
14.	Service Duct				Matter of Service Duct will be decided between Chairman (NHA), DG (FWO) and DG (SCO) subsequently.
15.	Retaining Structures				Proposed structures given in Alternate Proposal under "Project Salient Features" are the least requirement as envisaged by the Contractor; however any increase as per site requirement will be executed by the Contractor without any extra cost to the Employer. Detail Design for these will be submitted along with design approval submissions as per standard practice.



NHA Executive Board's Confirmed Minutes

Decision of 276th NHA Executive Board. The NHA Executive Board after deliberation approved in principle the award of Project subject to fulfillment of pending formalities.

Finalized Minutes of Clarification Meetings. The proceeds of clarification meetings were also presented in the 276th Executive Board meeting for seeking guidance on point of conflicts. After the 276th NHA Executive Board meeting the clarification minutes were finalized. The agreed/duly signed minutes of clarification meeting are as under:

Technical Provisions.

Sr. No	Description / Design Parameters	Unit	Alternate Bid		Decision
			Rolling Terrain (50 Km)	Hilly Terrain (114 Km)	
1.	Design Speed and Preliminary Design	Km/h	70-90	40-60	Minimum Design Speed: The speed range as per Alternate Bid is agreed, however contractor will endeavor to achieve maximum speed limit unless otherwise restricted due to site constraints, slope stabilization issues and other technical problems. Geometric Design will be done as per AASHTO standards. Preliminary Design / Drawings submitted by M/s FWO with their conforming bid will be considered the Plan and Profile Drawings / Center line of Alternate Proposal as well. Coordinates / Location of Start & End point of alternate proposal showing total length (164 Km) shall be provided by M/s FWO.
2.	Formation Width	M	12.3	9.1	As per Alternate Proposal
3.	Width of Travelled way (carriageway)	M	7.3	6.1	As per Alternate Proposal
4.	Width of Shoulders in open fill area in rocky areas	M	2.5M on either side	1.5 on either side	As per Alternate Proposal
5.	Cross slop Carriageway Shoulders	%	2 4	2 4	As per Alternate Proposal
6.	Maximum Gradient	%	2.5	7	Maximum gradient of 7% is acceptable provided that critical length of the grade as per AASHTO Standards should be followed with proper relief stretch.



NHA Executive Board's Confirmed Minutes

- a. M/s FWO to ensure minimum disturbance to the rock strata and endeavor to main 7.3m pavement while compromise can be made with the shoulders. In this regard, cement concrete shoulders be provided.
- b. M/s FWO must identify Design and Supervisory Consultant that they will engage for the project.
- c. Alternate route plan of M/s FWO during the construction of the road so that the present road will remain operational.
- d. To accommodate trainee engineers of the local population in the construction of the project.

Decision Made by 272nd NHA Executive Board. The NHA Executive Board approved in principle to proceed on Alternate Proposal of M/s FWO for technical discussion / clarifications and rationalization of bid cost to firm up scope and cost of the EPC Project.

276th NHA Executive Board meeting (March 27, 2017). The agenda was presented again in 276th NHA Executive Board meeting for seeking guidance on point of conflicts of clarification process and to accord approval in principle for consideration of award of the project to the lowest evaluated bidder i.e M/s FWO at their discounted Alternate bid price of Rs.31,000,000,000 which is 42.86% above the approved PC-I EPC Cost of Rs. 21,699,970,000 based on CSR-2009+9.1% subject to fulfillment of following conditions:

- a. Approval of Revised PC-I for the agreed scope of work of alternate proposal.
- b. Arrangement for financing minimum 85% of total project cost by the contractor and approval of Terms and Conditions / Singing of Loan Agreement by Government of Pakistan.



NHA Executive Board's Confirmed Minutes

- a. Approval of revised PC-I for the agreed scope of work of alternate proposal.
- b. Arrangement for financing minimum 85% of total project cost by the contractor and approval of Terms and Conditions / Signing of Loan Agreement by Government of Pakistan.

Presentation

14.2. The GM (P&CA) presented the agenda and briefed the Board about the details of the case as under:

Background.

271st NHA Executive Board Meeting. The agenda for appraisal of bidding process was presented in 271st NHA Executive Board meeting for the communication of following facts:

- a. The outcome of Technical Evaluation Process: Only one bidder (FWO) is technically qualified out of three.
- b. Conforming and Alternate Price Bid of M/s FWO along with Technical / Contractual deviations.
- c. Decision of Executive Board was solicited in principle to proceed on Alternate Proposal of M/s FWO for technical discussion/clarifications & rationalization of bid cost.

Decision of 271st NHA Executive Board. The NHA Executive Board considered the working paper and decided to constitute a Committee of all Board Members to take presentation in forthcoming meeting from M/s FWO on alternate proposal before any decision

Presentation of M/s FWO during 272nd NHA Executive Board Meeting. DG M/s FWO made a detailed presentation before NHA Executive Board in 272nd meeting held on 16th January 2017. Board Members, inter-a-alia deliberated the following points:



13.4. The Board deliberated and cleared the proposal.

Decision

13.5. The NHA Executive Board approved the award of agreement for Consultancy Services for "Design Review and Construction Supervision of Rehmani Khel to Kot Belian, Package-2 (60 Km), Section of Hakla (M-1) -Yarak (D.I. Khan) Motorway" to M/s NESPAK (Pvt.) Ltd. in JV with M/s Zeeruk International (Pvt.) Ltd. the highest ranked Consultants in the Combined (Technical + Financial) evaluation, at the evaluated consultancy cost, Pak. Rs.185,297,742/= (Pak. Rupees one hundred eighty five million, two hundred ninety seven thousand, seven hundred and forty two only) subject to Contract Negotiation as per provisions of the Request for Proposals (RFP).

13.6. The Board also directed to get the design of the project reviewed by third party.

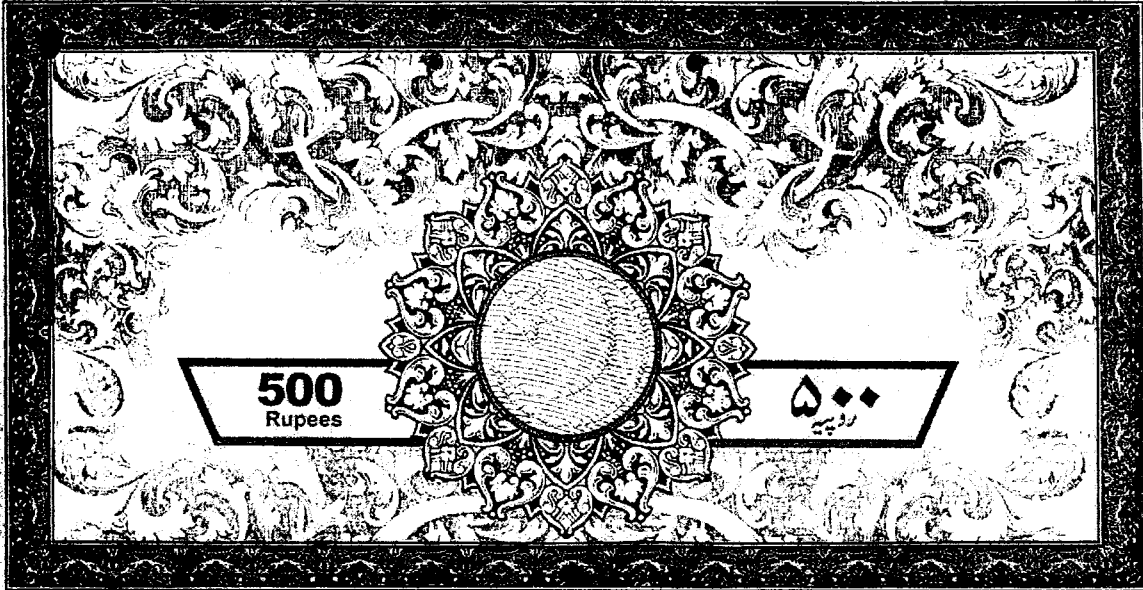
Action By : Member (Engg. Coord)

14. **Additional Agenda Item III**
Award of Works for Improvement, Up-gradation and Widening of Jaglot - Skardu Road on Supplier/ Buyer Credit Basis (EPC/Turnkey)

Proposal

14.1. The NHA Board is requested to approve the award of works for Improvement, Up-gradation and Widening of Jaglot - Skardu Road on Supplier / Buyer Credit Basis (EPC / Turnkey) to the lowest evaluated bidder M/s Frontier Works Organization, at their discounted Alternate bid price of Rs.31,000,000,000/= (Excluding Provisional Sum) which is 42.86% above the approved PC-1 EPC Cost of Rs. 21,699,970,000 based on CSR-2009+9.1% Premium subject to fulfillment of following conditions:

**COPY OF
CONTRACT AGREEMENT**



CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT (hereinafter called the "Agreement") made on the ^{23rd} day of June..... 2017 between the **National Highway Authority (NHA), Ministry of Communications, Government of Pakistan, 28-Mauve Area, G-9/1, P. O. Box No. 1205, Islamabad, Pakistan** hereinafter called the "Employer" (which expression shall include the successors, legal representatives and permitted assignees) of the one part and **M/s Frontier Works Organization, 509 Kashmir Road, R. A. Bazar, Rawalpindi, Pakistan** hereinafter called the "Contractor" (which expression shall include the successors, legal representatives and permitted assignees) of the other part.

WHEREAS the Employer is desirous that certain Works, viz "**Improvement, Upgradation and Widening of Jaglot - Skardu Road (164 KM) on Supplier / Buyer Credit Basis (EPC / Turnkey)**" 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.

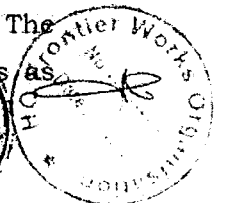
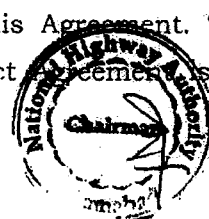
NOW this Agreement witnesseth as follows:

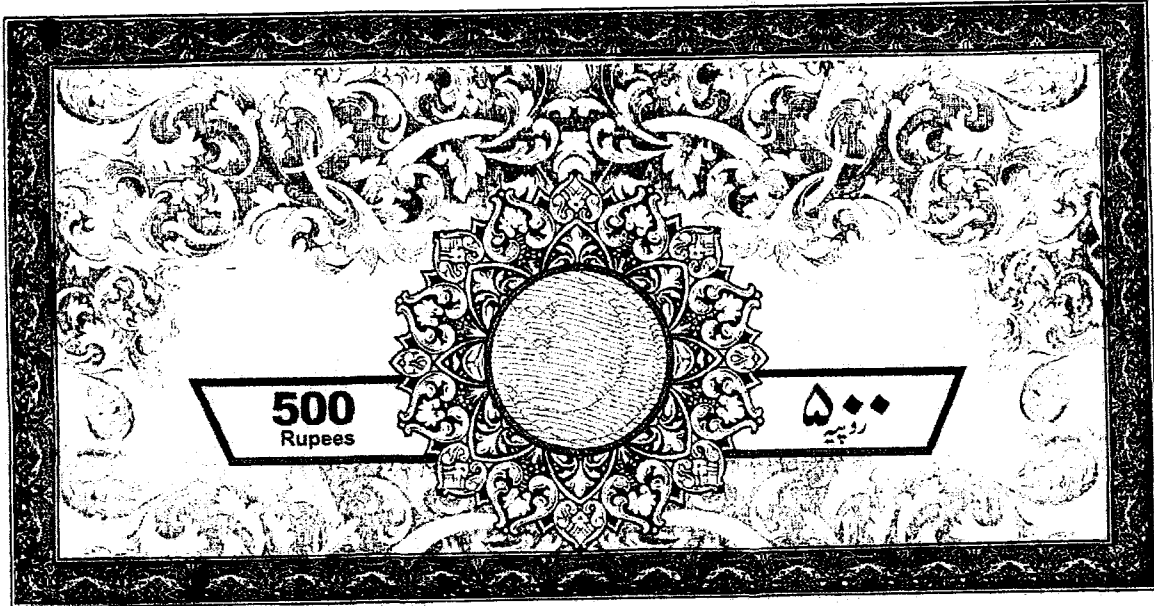
1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.

2. The following documents after incorporating addenda, if any except those parts relating to Instructions to Bidders and Appendices shall be deemed to form and be read and construed as part of this Agreement. The priority of the documents as a part of the Contract shall be as follows:



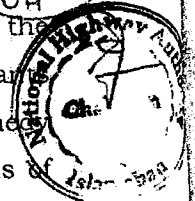
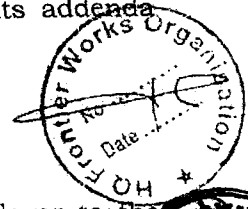
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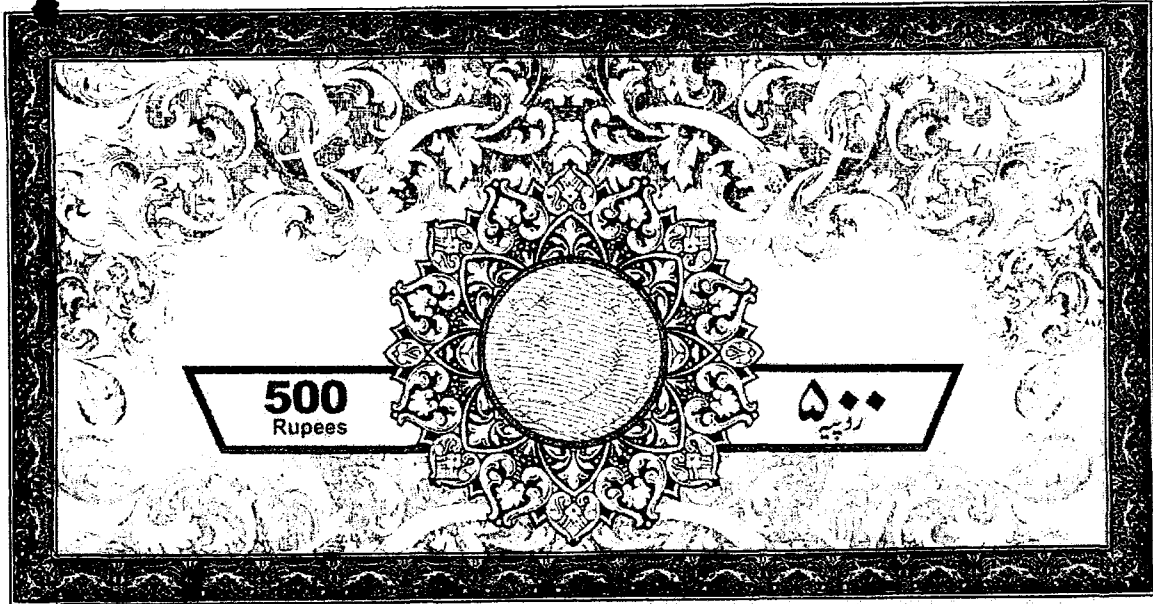


- a) The Contract Agreement;
- b) The Letter of Acceptance No. 2(404)/GM(P&CA)/NHA/2017/981 dated 20th June 2017;
- c) Minutes of Clarification Meetings;
- d) M/s Frontier Works Organization rebate offer; letter No. 444/JS Rd/Plans/ CS dated 17th March 2017;
- e) Addendum No. 01 of the Request for Proposal;
- f) The completed Form of Bid (Letters of Technical and Price Bids);
- g) Contract Data Sheet;
- h) The Particular Conditions of Contract – Part-II;
- i) The General Conditions of Contract – Part-I;
- j) Employer's Requirements;
- k) Schedule of Prices and Schedule of Payments;
- l) The completed Schedules to Bid ('A' to 'N') and Project Salient Features of Alternate Proposal of M/s FWO (Schedules to Bid as submitted with Alternate Proposal of M/s FWO will have overriding effect on those similar schedules submitted by M/s FWO in Technical and Price Bid);
- m) The Specifications (NHA General Specifications and its addenda issued time to time);
- n) The Drawings;
- o) Other documents forming part of Contract Agreement.

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.



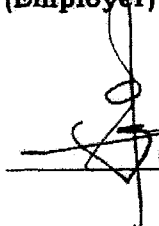
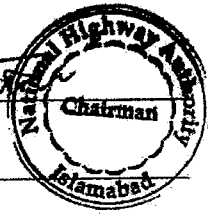
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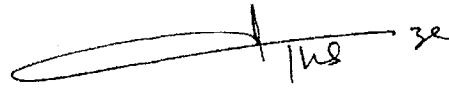
4. The Employer hereby covenants to pay the Contractor, in consideration of the execution and completion of the Works as per provisions of the Contract, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

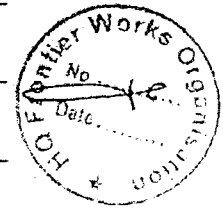
IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the day, month and year first before written in accordance with the respective laws.

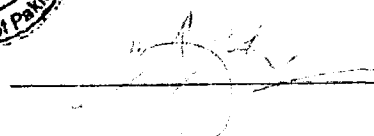
For and on behalf of
National Highway Authority
(Employer)

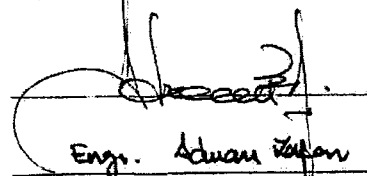
For and on behalf of
M/s Frontier Works Organization
(Contractor)


Lt. Col (R) Aftab Aziz
Director Plans, HQ FWO




Atiqash Khan
Member (Exec. Comm.)
National Highway Authority
Islamabad

Witness


Engr. Adnan Iqbal
Manager Contracts
HQ, FWO

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