Responses to Pre-Proposal Clarification No 09 from Potential Proposer M/s CDigital on RFP/EPC Bidding Document of Package-III: Electro-Mechanical Works of ALHPP			
Sr. No.	**Reference of RFP/EPC Bidding Document**	**Clarifications from Proposer**	**Replies by AHMC**
1.	A. Sub-Clause 1.13.23.3 Electrical and Mechanical Equipment Factory Acceptance Test (FAT), Part-I: Specific Provisions, Volume-II Employer's Requirements, RFP/EPC Bidding Document. B. Schedule No. 01: Supply of Plan from Abroad (Pre-Engineered structures) including Fixtures and other Materials Good and Spare Parts (if any) (Schedule of Price Basis); Sub-Clause 14.4 Schedule of Payments, Part-B: Special Provisions, Section VII: Particular Conditions, Volume-I, RFP/EPC Bidding Document. The Contract Price, Sub-Clause 14.1(b), Part-B: Special Provisions, Section-VIII: Particular Conditions, Volume-I, RFP/EPC Bidding Document.	**A. Factory Acceptance Tests (FATs) (FAT)** **A.1:** Is the figure of approximately forty (40) FAT and inspection visits, stated in the SP No.19 of Reply to Pre-Proposal Clarification No. 01 from potential Proposer M/s CDigital on RFP/EPC Bidding Document of Package-III, the number of FAT, potential Proposers are to allow to quote in the price, or are potential Proposers to derive the number of FAT from their own manufacturing program? **A.2:** Are Factory Acceptance Tests (FAT) mandatory only for the major E&M Plant Equipment listed under referred Sub-Clause 1.13.23.3 of Part-I: Specific Provisions, Volume-II, RFP/EPC Bidding Document, or is a wider list of E&M Plant Equipment required? If wider list, Please provide the list. **A.3:** Is the duration to be taken as seven (07) days per trip under referred Sub-Clause 1.13.23.3 of Part-I: Specific Provisions, Volume-II, RFP/EPC Bidding Document, or up to ten (10) days per visit under the SP No. 19 of Reply to Pre-Proposal Clarification No. 01 from potential Proposer M/s CDigital on RFP/EPC Bidding Document of Package-III , the two provisions differ from each other? **A.4:** Please confirm three (03) witnessing representatives per visit, and the class of air travel and standard of accommodation to be allowed.	Noted. As already mentioned in reply of Pre-Proposal clarification No. 01 under SP No.19 "The stated approximately forty (40) FAT/Inspection visits are indicative only. The actual number of FAT/Inspection visits may vary depending on manufacturing schedule and equipment readiness. No separate payment shall be made to EPC Contractor for any increase in number of FAT/Inspection visits". Please refer to sub-clause 7.9, Particular Conditions Part B, Special Provisions of Volume-I of RFP/EPC Document. Noted. The major components had already been covered under Sub-Clause 1.13.23.3, "FATs for other E&M Plant and Equipment", Specific Provisions, Part-I, Volume-II of RFP/EPC Bidding Document where needed in accordance with the Employer's Requirements, applicable Specifications, relevant International Standards, or as necessary to demonstrate compliance with the performance, quality, and reliability requirements of the Contract, shall also be carried out by the EPC Contractor. All costs associated with such FATs, including inspection, testing, witnessing, and other related expenses, shall be deemed to be included in the Contract Price and shall be borne entirely by the EPC Contractor, without any additional cost to the Employer. Noted and acknowledged. It is apprised that the incorrect Part-I Specific Provisions, Volume-II, RFP/EPC Document was inadvertently uploaded on

			PPRA EPADS v2.0 due to a clerical error. The corrected Part-I Specific Provisions, RFP/EPC Bidding Documents, shall be shared through PPRA EPADS v2.0. The Employer's Requirements shall prevail, and the duration per trip/visit shall be ten (10) days as stipulated in the RFP/EPC Bidding Documents. The actual Sub-Clause 1.13.23.5 *'Electrical and Mechanical Equipment Factory Acceptance Test (FAT)'* is attached as Annex-A to these replies to Pre-proposal Clarification for reference. Noted and acknowledged. It is apprised that the incorrect Part-I Specific Provisions, Volume-II, RFP/EPC Document was inadvertently uploaded on PPRA EPADS v2.0 due to a clerical error. The corrected Part-I Specific Provisions, RFP/EPC Bidding Documents, shall be shared through PPRA EPADS v2.0. The Employer's Requirements shall prevail, and the number of witnessing representatives per visit shall be two (02). For avoidance of doubt, the class of air travel shall be economy class, together with the standard of accommodation. The actual Sub-Clause 1.13.23.5 *'Electrical and Mechanical Equipment Factory Acceptance Test (FAT)'* is attached as Annex-A to these replies to Pre-proposal Clarification for reference.

		B. Custom duties and Indirect Taxes **B.1:** Please confirm that prices for imported E&M Plant are to be quoted on the CIP basis, with custom duty and sales tax excluded from the activity prices and declared separately in the Custom Duty (PKR) column of Price Schedule No. 01, Sub-Clause 14.4: Schedule of Payments, Part-B: Special Provisions, Section VII: Particular Conditions, Volume-I, RFP/EPC Bidding Document. **B.2:** Please confirm that custom duty, sales tax, VAT and similar levies actually paid by the EPC Contractor will be reimbursed by the Employer under Sub-Clause 14.1(b), Part-B: Special Provisions, Section-VIII: Particular Conditions, Volume-I, RFP/EPC Bidding Document against monthly invoices showing such taxes as a separate line item with proof of payment. **B.3:** Are any of these duties or taxes instead exempted for this Attabad Lake Hydropower Project (54MW)? If so, Please advise which procedure to be followed. **B.4:** Please confirm the mechanism of reimbursement of custom duty and sales tax, that is whether through the Specified Provisional Sums or the Interim Payment Certificates, and the basis on which Proposers are to populate the Custom Duty column at Proposal stage.	Noted. The Schedule of Payment for E&M Works (Schedule No. 01 to Schedule No. 06) provided under Section-IV: Proposal Forms, Volume-I of the RFP/EPC Bidding Document, establishes the payment framework clearly and requires no further elaborations. Noted. The Sub-Clause 14.1(b) [The Contract Price], Part-B: Special Provisions, Section-VIII: Particular Conditions, Volume-I of the RFP/EPC Bidding Document, clearly defines the provisions governing Taxes and duties. Noted. Any applicable exemption from customs duties, sales tax, VAT, or other statutory levies shall be subject to the applicable laws, rules, notifications, and directions of the competent authorities. The Proposer/EPC Contractor shall obtain confirmation regarding the application of any such exemptions directly from the Federal Board of Revenue (FBR) (www.fbr.gov.pk) and/or the relevant provincial tax authorities through their official channels. **i.** Noted. The EPC Contractor shall initially bear and pay the applicable customs duties and shall be entitled to reimbursement by the Employer of the actual amounts paid, subject to submission of duly verified documentary evidence demonstrating such payment and compliance with the applicable provisions of the Contract. **ii.** Noted. The applicable sales tax shall be deducted from the EPC Contractor's Interim Payment Certificates/Milestones, and the Employer shall provide the EPC Contractor with the corresponding Certificate/evidence of deduction as required under the applicable tax laws and regulations.

1.13.23.3 Electrical and Mechanical Equipment Factory Acceptance Tests/Inspections

The Contractor shall at its own expense carry out all such tests and/or inspections of the Plant and any part of the Plant as are specified in the Contract. At least Two (02) representatives of the Employer/ Employer's representatives shall inspect/witness the manufacturing and factory testing of electrical & mechanical equipment and workshop facilities at manufacturer's works for a period of approximately Ten (10) days each trip including travel time. All reasonable facilities (laboratory, tools, instruments, machines, samples etc.) as provided in the specifications or followed by trade and industry in general shall have to be offered to the inspectors, by Contractor at his expense for carrying out Testing and Inspection. The Contractor shall fully assist the nominated inspectors in submission of visa application(s) by providing all supporting document on his part and help in attaining visa through necessary correspondence with the embassy.

The Contractor shall give at least Eight (08) weeks' advance notice for tests to be conducted abroad and Four (04) weeks' advance notice for tests to be conducted within Pakistan to the Employer for all important Factory Acceptance Tests/Inspections of major plant equipment (i.e., turbines, inlet valves, cranes, HPU for governors/inlet valves, generator, exciter, digital governor, control & protection, switchgears, transformers, DC system, SAS, telecom equipment, etc.). All expense regarding witnessing of factory acceptance tests/inspections or repetition (i.e., pre-travel arrangements, air travel from Islamabad/Lahore, Pakistan to the place of inspection/testing and back, hotel stay (boarding and lodging in A-Class accommodation), inland transportation and daily allowance @ 200 US$/day (prevailing government-approved rate and is in line with the average foreign DA rates notified by the Finance Division, Government of Pakistan refer to **SCHEDULE TO FINANCE DIVISION'S OFFICE Aug 02, 2023, R-10/2006-259)** for one person for foreign inspections and @ 15,000 PKR/day for one person for local inspections) shall be considered in the price of respective equipment.

Approximately forty (40) Factory Acceptance Tests (FAT)/Inspections visits are anticipated. For each FAT/Inspection, Two (02) representatives (one from Employer and one from Employer's representative) shall attend for up to Ten (10) days, including travel, totaling an estimated eight hundred (800) man-days. The numbers are tentative and all associated costs shall be borne by the Contractor and included in the price of respective equipment.