

inspections and testing off the Site; and the planned duration required before the repaired item of Plant shall be returned to the Site. The Contractor shall also provide any further details that the Employer may reasonably require; or

- (ii) replace any item(s) of such Plant and/or Materials, the Contractor shall give a Notice, with reasons, to the Engineer clearly identifying the item(s) of Plant and/or Materials to be replaced, and giving details of the due date of delivery to the Site of the replacement item(s).

Where any item of Plant and/or Materials has become the property of the Employer under this Sub-Clause before it has been delivered to the Site, the Contractor shall ensure that such an item is not moved except for its delivery to the Site.

The Contractor shall indemnify and hold the Employer harmless against and from the consequences of any defect in title or encumbrance or charge (except any reasonable restriction arising from the intellectual property rights of the manufacturer or producer) on any item of Plant and/or Materials that has become the property of the Employer under this Sub-Clause."

The following Sub-Clause 7.9 is added after Sub Clause 7.8:

- | | |
|--|--|
| 7.9 Use of Pakistani Materials and Services | The Contractor shall, so far as may be consistent with the Contract, make the maximum use of materials, supplies, plant and equipment indigenous to or produced or fabricated in Pakistan and services available in Pakistan provided such materials, supplies, plant, equipment and services shall be of required standard. |
| 8.1 Commencement of Works | The following is added before the first paragraph:
"After signing of the Contract Agreement by both Parties," and thereafter the word "The" is replaced with the word "the". |
| 8.5 Extension of Time for Completion | The following is added after paragraph (c):
"for last five years". |

The following Sub-Clause 8.14 is added after Sub-Clause 8.13:

8.14 Incentives For Early Completion

If Contract Data does not state applicability of incentives for early completion, this Sub-Clause shall not apply.

11.12 Supervisory Assistance During DNP

If provided under the Schedule of Prices, the Contractor shall provide supervisory assistance to the Employer during the DNP for the Works. Such supervisory assistance shall be as described in the Specification for the purpose of supporting the Employer's operation and maintenance of the Plant for the period specified in the Schedule of Prices after the Date of Completion.

12.2 Method of Measurement

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

“Summary of measured quantity for payment shall be delineated item-wise under four heads namely; “Schedule of Prices Quantity”, “Quantity Executed To-date”, “Quantity Certified Previously” and “Net Quantity Executed under this Certificate”.

12.3 Valuation of the Works

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

“Sum of overhead charges and profit for sub-paragraph (a) shall be Twenty Five percent (25%)”.

13.4 Provisional Sums

The following paragraph is inserted as the penultimate paragraph:

“The Provisional Sum shall be used to cover the Employer’s share of the DAAB members’ fees and expenses, in accordance with Clause 21. No prior instruction of the Engineer shall be required with respect to the work of the DAAB. The Contractor shall submit the DAAB members’ invoices and the satisfactory evidence of having paid 100% of such invoices as part of the substantiation of those Statements submitted under Sub-Clause 14.3.

13.6 Adjustments for Changes in Laws

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

“Notwithstanding the foregoing, the Contractor shall not be entitled to an extension of time if the relevant delay has already been taken into account in the determination of a previous extension of time and such Cost shall not be separately paid if the same shall already have been taken into account in the indexing of any inputs to the Table of Adjustment Data in accordance with the provisions of Sub-Clause 13.7 [*Adjustments for Changes in Cost*].”

14.1 Advance Payment

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

The entity issuing the Advance Payment Guarantee and its form shall be as under:

The Advance Payment Guarantee shall be in the form of Guarantee issued by (a) a Scheduled Bank in Pakistan or (b) a foreign bank duly counter-guaranteed by a Scheduled Bank in Pakistan

In case of Joint Venture, the Advance Payment Guarantee(s) shall be in the name of the Joint Venture or in the name of Lead/either firm of the JV or in ratio of shares of the individual JV partners.

14.6 Issue of IPC**14.6.1 The IPC**

In the first line of the 1st paragraph the words “28 days” are substituted by “56 days”.

14.7 Payment

The words “or through crossed cheque in favour of the Contractor or JV partners. The Payment to JV partners shall be made at the request of the Joint Ventures in the ratio of them shares specified by them” are added at the end of the Sub-Clause.

14.8 Delayed Payment

In the first paragraph, third line, the words “compounded monthly” are deleted.

The text of 2nd paragraph is deleted and substituted with the following:

“The Employer shall pay to the Contractor compensation at the rate stated in the Contract Data.”

15.2 Termination for Contractor's Default**15.2.1 Notice**

Following text is added at the end of sub-paragraph (h) of this Sub-Clause:

“For the purposes of this Contract, corrupt and fraudulent practices have been defined in Public Procurement Rules 2004.”

15.2.3 After Termination

The word “and” at the end of sub-paragraph (ii) of paragraph (b) is deleted the following paragraph is added after sub-paragraph (iii):

“(iv) all Employer-Supplied Materials and/or Employer's Equipment made available to the Contractor in accordance with Sub-Clause 2.6 [*Employer-Supplied Materials and Employer's Equipment*], and”

15.4 Payment after Termination

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

“The Employer shall be entitled to sell any of the Contractor's Equipment, Temporary Works and unused materials and apply the proceeds of sale towards payment of any debt due from the Contractor to the Employer under this Clause including any outstanding payments to the Subcontractors.

16.2 Termination by Contractor**16.2.1 Notice**

The sub-paragraph (j) is deleted in its entirety.

At the end of sub-paragraph (i) “; or” is replaced with “.” and at the end of sub-paragraph (h) “;” is replaced with “; or”.

In sub-paragraph (f) “84 days” are replaced with “180 days” and text “for reasons not attributable to the Contractor” is added at the end.

16.3 Contractor's Obligations After Termination

Sub-paragraph (c) is deleted and replaced with:

"(c) deliver to the Engineer all Employer-Supplied Materials and/or Employer's Equipment made available to the Contractor in accordance with Sub-Clause 2.6 [*Employer-Supplied Materials and Employer's Equipment*]; and

(d) remove all other Goods from the Site, except as necessary for safety, and leave the Site."

17.1 Responsibility for Care of the Works

After the two instances of “Goods” in the last paragraph, the words “Employer-Supplied Materials and/or Employer's Equipment” are added.

The following Sub-Clause 17.7 is added after Sub-Clause 17.6:

- 17.7 Use of Employer's Accommodation/Facilities** The Contractor shall take full responsibility for the care of the items of the Employer's facilities and/or accommodation, if any, as detailed in the Specification, from the date of use and/or occupation by the Contractor until the date on which such use and/or occupation is re-vested in the Employer.
- If any loss or damage happens to any of the above items during a time while the Contractor is responsible for its care, arising from any cause other than a cause for which the Employer is responsible or liable, the Contractor shall promptly rectify the loss or damage at the Contractor's risk and cost.
- 18.1 Exceptional Events** The words "or disorder" are replaced with "disorder or sabotage" in sub-paragraph (c) of the Clause.
- 18.4 Consequences of an Exceptional Event** The following is added at the end of sub-paragraph (b) after deleting the "":
- " , including the costs of rectifying or replacing the Works and/or Goods damaged or destroyed by Exceptional Events, to the extent they are not indemnified through the insurance policy referred to in Sub-Clause 19.2 [*Insurance to be provided by the Contractor*]."
- In sub-paragraph (c), the words "and necessarily" are added after the words "was reasonably".
- 18.5 Optional Termination** Following text is added at the end of first paragraph:
- 19.1 General Requirements** "The Contractor shall immediately after the date of the Letter of Acceptance submit the draft of insurance policies for the Employer's consent."
- Following text is added at the end of third paragraph:
- "The Contractor shall, within the respective periods stated in the Contract Data submit to the Engineer and the Employer a) evidence that the insurances described in this Clause have been effected, and b) copies of policies of the insurances described in Sub-Clauses 19.2.1, 19.2.4 and 19.2.5."
- 19.2 Insurance to be provided by the Contractor** 19.2.5 Injury to employees
- The words "sickness, disease" are deleted in the third line of first paragraph.
- The following Sub-Clause is added after Sub-Clause 19.2.6:
- 19.2.7 Insurance Company
- "The Contractor shall be obliged to place all insurances described in this Clause with insurers listed in the Contract Data and rated by PACRA/VIS of rating as provided in Table below:

Accepted Contract Amount (In Eq. million PKR)	Minimum Rating of Insurance Companies
Up to 1000	A (+)
1001 to no limit	AA

- 21.6 Arbitration** The word “international” is deleted in the sixth line of first paragraph. The text of sub-paragraph (a) is substituted with the following:
- “The Dispute shall be finally settled under the Rules of Arbitration, specified in the Contract Data;”
- The following Clauses are added after Clause 21
- 22 Custom Duty** Not Applicable
- 23 Taxes** The contractor, subcontractors and their employees shall be liable to pay income tax, withholding tax, super tax and other taxes on income arising out of the contract. However, for the purpose of Direct and Indirect Taxes, it may be as under:
- Local Direct Taxes:**
- It is implied that the Bidder/Contractor has taken all the risks into account while submitting the proposed price. The Employer (WAPDA) shall not be responsible for any present or future direct taxes (Income Tax/Corporate Tax, WHT, Turnover Tax, Super Tax etc) payable by the bidder, his/her experts and other employees.
- Any increase or decrease in the rates of all local direct taxes, or introduction of new tax on the income of the Contractor, experts and other employees in connection with the performance of the contract, will be the liability of the Contractor as these taxes are levied on the income earned by the Contractor from the Contract and the Employer (WAPDA) will not compensate to the Contractor.
- Local Indirect Taxes:**
- All local indirect taxes i.e. sales taxes, custom duty, VAT, levies, other charges or similar taxes levied on the Contractor’s invoice, shall be borne and reimbursed by the Employer (WAPDA), subject to withholding law, on the basis of actual amount of indirect taxes paid by the Contractor at the prevailing tax rates supported by the documentary evidence of such payment of indirect taxes by the Contractor. These indirect taxes shall be mentioned as a separate line item on the Contractor’s invoice.
- Information of the contractor’s tax obligations in the Employer’s (WAPDA) country can be found from Federal Board of Revenue Pakistan (www.fbr.gov.pk) & relevant Provincial Tax Authority’s website or from their relevant offices.
- Advance Income Tax:**
- All payments (gross) as payable to the contractor/subcontractors will be subject to Withholding Tax/Advance Tax at prescribed rate at the time of payment. The deduction of advance income tax from the gross payable bills shall be made in accordance with prevalent income tax laws of the Government of Pakistan. These

deductions shall be deposited in the Government Treasury by the employer to the account of the contractor within prescribed period.

The Employer shall within 28 days of making any such deduction, provide to the contractor a certificate of tax deducted and deposit in the Government Treasury.

Provincial Sales Tax on Services:

Subject to the relevant provisions of the Provincial Sales Tax Act on Services, all payments (gross) as payable to the contractor, subcontractors, in relation to Works/Services will be subject to withholding sales tax at the prevalent rates, at the time of payments.

24 Integrity Part

If it is found and established at any stage that the Contractor or any of his Subcontractors, agents or servants have violated or involved in violation of the Integrity Pact signed by the Contractor then the Employer shall be entitled to:

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

The termination under sub-paragraph (b) of this Sub-Clause shall proceed in the manner prescribed under Sub-Clause 15.1 to 15.4 and the payment under Sub-Clause 15.4 shall be made after having deducted the amounts due to the Employer under sub-paragraph (a) and (c) of this Sub-Clause.