# Nepal Electricity Authority

(A Goverment of Nepal Undertaking)

## Distribution and Consumer Service Directorate

# Butwal Regional office

## Lamahi-Jaluke 33 kV Transmission Line Project

## Bidding Document

## For

## Supply and Delivery Installation testing and Commissioning of 33kV Line Lattice Tower with Stringing Conductor Across Rapti River at Bhalubang.

**BRO-2074/2075-16**

**Volume-I of II**

**March, 2018**

# Invitation For Bids

**(First date of Publication 2074/11/26)**

1. Nepal Electricity Authority (NEA), Butwal Regional Office, Butwal invites sealed bids from eligible bidders for:

   *i.* ***BRO/2074/075- 16 :*** ***Supply and Delivery Installation testing and commissioning of 33 kv lattice tower with stringing conductor across Rapti River at Bhalubang.***

   *ii.* ***BRO/2074/075- 17 :*** ***Construction of boundary wall at Saljhandi***

2. Interested eligible bidder may obtain further information and inspect the bidding documents at the office mentioned below. For electronic bidding, the website is : ***www.nea.org.np***
3. A complete set of Bid Documents may be purchased during office hours on all working days by any interested eligible bidder upon submission of a written application along with a bank voucher of the amount (non refundable) as given below in clause 5 towards the cost of the Bid Documents, deposited in Bank Account given below or by an account payee bank draft of the same amount issued in favour of NEA.
4. Bidders must produce an attested copy of the certificates of Tax Clearance, VAT Registration and PAN Registration at the time of purchase of the Bid Documents. Local agents/bidders intending to purchase the Bid documents, on behalf of their principals must produce the authorization from their principals.
5. All Bids accompanied by a bid bond in amount & validity period as specified below must be delivered in accordance with the Instructions to Bidders latest by **12:00 hours** local time on or before the dates and address given below. The Bids shall be opened at **14:00 hours** local time on the last date of the Bid submission, in the presence (or without presence) of the authorised representatives of the Bidders who choose to be present. If the last date of Bid purchase and submission falls on a public holiday, then the next consecutive working day shall be considered the last day.

| Tender No. | Last Date of Bid Purchase | Last Date of Bid Submission | Bid Validity Period | Cost of Bid Document (NRs.) | Bid Bond | | Bank Account No. |
|---|---|---|---|---|---|---|---|
| | | | | | Amount (NRs.) | Validity Period | |
| *BRO/2074/075- 16* | 2074/12/25 | 2074/12/26 | 90 Days from the last date of bid submission | 3,000.00 | 2,00,000.00 | 120 Days from the last date of bid submission | Jyoti Bikas Bank Ltd., Butwal Account No. 00200200100008737000001 |
| *BRO/2074/075- 17* | 2074/12/10 | 2074/12/11 | 90 Days from the last date of bid submission | 1000.00 | 35,000.00 | 120 Days from the last date of bid submission | Jyoti Bikas Bank Ltd., Butwal Account No. 00200200100008737000001 |

6. NEA shall not be responsible for any costs or expenses incurred by Bidders in connection with the preparation or submission of Bids.
7. In the comparison of Bids, Domestic Preference Scheme will be applied in accordance with the provisions stipulated in the Instruction to Bidders.
8. Mode of bidding is **National Competitive Bidding (NCB) .**
9. NEA reserves the right to accept or reject any Bid, partly or wholly, or cancel the Bids altogether, without assigning any reason whatsoever.
10. Interested eligible Bidders may obtain further information from the Office given below:

**Nepal Electricity Authority**
**Distribution and Consumer Service Directorate**
**Butwal Regional Office**
**Kalikanagar, Butwal.**
**Phone No.: 071-438584**

# Part - I

# BIDDING PROCEDURES

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# SECTION - I

## Instructions to Bidders

| A. General | |
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| **1. Scope of Bid** | 1.1 In connection with the Invitation for Bids indicated in the Bid Data Sheet (BDS), the Employer, as indicated in the BDS, issues this Bidding Document for the procurement of Works as specified in Section V (Works Requirements). The name, identification, and number of Contracts of the National Competitive Bidding (NCB) are provided in the BDS.<br><br>1.2 Throughout this Bidding Document:<br><br>(a) the term "in writing" means communicated in written form and delivered against receipt;<br>(b) except where the context requires otherwise, words indicating the singular also include the plural and words indicating the plural also include the singular; and<br>(c) "day" means calendar day. |
| **2. Source of Funds** | 2.1 GoN Funded: In accordance with its annual program and budget, approved by the GoN, the implementing agency indicated in the BDS plans to apply a portion of the allocated budget to eligible payments under the contract(s) for which this Bidding Document is issued.<br><br>Or<br><br>Public Entities' own Resource Funded: In accordance with its annual program and budget, approved by the public entity, the implementing agency indicated in the BDS plans to apply a portion of the allocated budget to eligible payments under the contract(s) for which this Bidding Document is issued.<br><br>Or<br><br>DP Funded: The GoN has applied for or received financing (hereinafter called "funds") from the Development Partner (hereinafter called "the DP") indicated in the BDS toward the cost of the project named in the BDS. The GoN intends to apply a portion of the funds to eligible payments under the contract(s) for |

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| | which this Bidding Document is issued.<br><br>2.2 DP Funded: Payment by the DP will be made only at the request of the GoN and upon approval by the DP in accordance with the terms and conditions of the financing agreement between the GoN and the DP (hereinafter called the "Loan/Grant Agreement"), and will be subject in all respects to the terms and conditions of that Loan/Grant Agreement. No party other than the GoN shall derive any rights from the Loan Agreement or have any claim to the funds. |
| **3. Fraud and Corruption** | 3.1 The Government of Nepal (GoN) requires that the Procuring Entities as well as bidders, suppliers and contractors and their sub-contractors under GoN/DP-financed contracts, shall adhere to the highest standard of ethics during the procurement and execution of such contracts. In this context, the Employer;<br><br>(a) defines, for the purposes of this provision, the terms set forth below as follows:<br>(i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;<br>(ii) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;<br>(iii) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;<br>(iv) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.<br>(v) "Obstructive practice" means:<br>(aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to |

investigators in order to materially impede a GoN/DP investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or

(bb) acts intended to materially impede the exercise of the GoN's/DP's inspection and audit rights provided for under sub-clause 3.5 below.

(b) will reject bid(s) if it determines that the bidder has, directly orthrough an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;

3.2 The Bidder shall not carry out or cause to carry out the following acts with an intention to influence the implementation of the procurement process or the procurement agreement :

(a) give or propose improper inducement directly or indirectly,

(b) distortion or misrepresentation of facts,

(c) engaging in corrupt or fraudulent practice or involvingin such act,

(d) interference in participation of other competing bidders,

(e) coercion or threatening directly or indirectly to cause harm to the person or the property of any person to be involved in the procurement proceedings,

(f) collusive practice among bidders before or after submission of bids for distribution of works among bidders or fixing artificial/uncompetitive bid price with an intention to deprive the Employer the benefit of open competitive bid price,

(g) contacting the Employer with an intention to influence the Employer with regards to the bids or interference of any kind in examination and evaluation of the bids during the period from the time of opening of the bids until the notification of award of contract.

3.3 PPMO, on the recommendation of the Procuring Entity may

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| | blacklist a Bidder for a period of one (1) to three (3) years for its conduct including on the following grounds and seriousness of the act committed by the bidder:<br>(a) if convicted by a court of law in a criminal offence which disqualifies the Bidder from participating in the contract,<br>(b) if it is established that the contract agreement signed by the Bidder was based on false or misrepresentation of Bidder's qualification information,<br>(c) if it at any time determines that the firm has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for, or in executing,- a GoN/DP-financed contract.<br>(d) if the successful bidder fails to sign to contract.<br>3.4 A bidder declared blacklisted and ineligible by the GoN, Public Procurement Monitoring Office (PPMO) and/or the DP in case of DP funded project, shall be ineligible to bid for a contract during the period of time determined by the GoN, PPMO and/or the DP.<br>3.5 TheContractor shall permit the GoN/DP to inspect the Contractor's accounts and records relating to the performance of the Contractor and to have them audited by auditors appointed by the GoN/DP, if so required by the GoN/DP.<br>3.6 DP Funded: In pursuance of the fraud and corruption policy, the DP.<br>(a) will reject a proposal if it determines that the bidder recommended for award has directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;<br>(b) willcancel the portion of the loan/ credit/ grant allocated to a contract if it determines at any time that representative(s) of the GoN or of a beneficiary of the fund engaged in corrupt, fraudulent, collusive, or coercive practices during the procurement or the execution of that contract, without the GoN having taken timely and appropriate action satisfactory to the DP to remedy the situation. |
| **4. Eligible Bidders** | 4.1 A Bidder may be a natural person, private entity, or government - owned entity—subject to ITB 4.5—or any combination of them in |

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| | the form of a Joint Venture (JV) under an existing agreement, or with the intent to constitute a legally-enforceable joint venture. In the case of a JV:<br>(a) all partners shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms. Maximum number of JV shall be as specified in the BDS. The qualification requirement of the parties to the JV shall be as specified in Section III Evaluation and Qualification Criteria, and<br>(b) the JV shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the parties of the JV during the bidding process and, in the event the JV is awarded the Contract, during Contract execution.<br><br>4.2 A Bidder, and all parties constituting the Bidder, shall have the nationality of any country or eligible countries mentioned in the BDS. A Bidder shall be deemed to have the nationality of a country if the Bidder is a citizen or is constituted, or incorporated, and operates in conformity with the provisions of the laws of that country. This criterion shall also apply to the determination of the nationality of proposed Sub-Contractors or suppliers for any part of the Contract including related services.<br><br>4.3 A Bidder shall not have a conflict of interest. A Bidder found to have a conflict of interest shall be disqualified. A Bidder may be considered to be in a conflict of interest with one or more parties in this bidding process, if:<br>(a) they have controlling partners in common; or<br>(b) they receive or have received any direct or indirect subsidy from any of them; or<br>(c) they have the same legal representative for purposes of this bid; or<br>(d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the Bid of another Bidder, or influence the decisions of the Employer regarding this bidding process; or<br>(e) a Bidder participates in more than one bid in this bidding process either individually or as a partner in a joint venture. Participation by a Bidder in more than one Bid will result in |

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| | the disqualification of all Bids in which the party is involved. However, this does not limit the inclusion of the same sub-Contractor in more than one bid; or<br>(f) a Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the Contract that is the subject of the Bid; or<br>(g) a Bidder or any of its affiliates has been hired (or is proposed to be hired) by the Employer as Engineer for the Contract.<br>4.4 A firm that is under a declaration of ineligibility by the GoN/DP in accordance with ITB 3, at the date of the deadline for bid submission or thereafter, shall be disqualified.<br>4.5 Enterprises owned by Government shall be eligible only if they can establish that they are legally and financially autonomous and operate under commercial law, and that they are not a dependent agency of the GoN.<br>4.6 Bidders shall provide such evidence of their continued eligibility satisfactory to the Employer, as the Employer shall reasonably request.<br>4.7 In case a prequalification process has been conducted prior to the bidding process, this bidding is open only to prequalified Bidders.<br>4.8 Firms shall be excluded in any of the cases, if<br>(a) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, Nepal prohibits any import of goods or Contracting of works or services from that country or any payments to persons or entities in that country.<br>(b) DP Funded: as a matter of law or official regulation, Nepal prohibits commercial relations with that country, provided that the DP is satisfied that such exclusion does not preclude effective competition for the supply of goods or related services required;<br>(c) DP Funded: a firm has been determined to be ineligible by the DP in relation to their guidelines or appropriate provisions on preventing and combating fraud and corruption in projects financed by them.<br>4.9 The bidder shall meet the eligibility criteria specified in section III |

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| | (Evaluation and Qualification Criteria) of bid document. |
| **5. Eligible Materials, Equipment and Services** | 5.1 The materials, equipment and services to be supplied under the Contract shall have their origin in any source countries as defined in ITB 4.2 above and all expenditures under the Contract will be limited to such materials, equipment, and services. At the Employer's request, Bidders may be required to provide evidence of the origin of materials, equipment and services.<br>5.2 For purposes of ITB 5.1 above, "origin" means the place where the materials and equipment are mined, grown, produced or manufactured, and from which the services are provided. Materials and equipment are produced when, through manufacturing, processing, or substantial or major assembling of components, a commercially recognized product results that differs substantially in its basic characteristics or in purpose or utility from its components. |
| **B. Contents of Bidding Documents** | |
| **6. Sections of Bidding Document** | 6.1 The Bidding Document consist of Parts I, II, and III, which include all the Sections indicated below, and should be read in conjunction with any Addenda issued in accordance with ITB 8.<br>PART I Bidding Procedures<br>Section I Instructions to Bidders (ITB)<br>Section II Bid Data Sheet (BDS)<br>Section III Evaluation and Qualification Criteria (EQC)<br>Section IV Bidding Forms (BDF)<br>PART II Requirements<br>Section V Works Requirements (WRQ)<br>Section VI Bill of Quantities (BOQ)<br>PART III Conditions of Contract and Contract Forms<br>Section VII General Conditions of Contract (GCC)<br>Section VIII Special Conditions of Contract (SCC)<br>Section IX Contract Forms (COF)<br>6.2 The Invitation for Bids issued by the Employer is not part of the Bidding Document.<br>6.3 The Employer is not responsible for the completeness of the |

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| | Bidding Document and their Addenda, if they were not obtained directly from the source stated by the Employer in the Invitation for Bids.<br><br>6.4 The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Document. Failure to furnish all information or documentation required by the Bidding Document may result in the rejection of the bid. |
| **7. Clarification of Bidding Document, Site Visit, Pre-Bid Meeting** | 7.1 A prospective Bidder requiring any clarification of the Bidding Document shall contact the Employer in writing at the Employer's address indicated in BDS or raise any question or curiosity during the pre-bid meeting if provided for in accordance with ITB 7.4. The Employer shall be required to make available as soon as possible the answer to such question or curiosity in writing to any request for clarification, provided that such request is received as mentioned in ITB 7.5. The Employer shall forward copies of its response to all Bidders who have acquired the Bidding Document in accordance with ITB 6.3, including a description of the inquiry but without identifying its source. Should the Employer deem it necessary to amend the Bidding Document as a result of a request for clarification, it shall do so following the procedure under ITB 8 and ITB 22.2.<br><br>7.2 The Bidder is advised to visit and examine the Site of Works and its surroundings and obtain for itself, on its own risk and responsibility, all information that may be necessary for |

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| | preparing the bid and entering into a Contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense.<br>7.3 The Bidder and any of its personnel or agents will be granted permission by the Employer to enter upon its premises and lands for the purpose of such visit, but only upon the express condition that the Bidder, its personnel, and agents will release and indemnify the Employer and its 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 the inspection.<br>7.4 The Bidder's designated representative is invited to attend a pre-bid meeting, if provided for in the BDS. The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.<br>7.5 The Bidder is requested, as far as possible, to submit any questions in writing, to reach the Employer as mentioned in BDS.<br>7.6 Minutes of the pre-bid meeting, including the text of the questions raised, without identifying the source, and the responses given, together with any responses prepared after the meeting, will be transmitted promptly to all Bidders who have acquired the Bidding Document in accordance with ITB 6.3. Any modification to the Bidding Document that may become necessary as a result of the pre-bid meeting shall be made by the Employer exclusively through the issue of an addendum pursuant to ITB 8 and not through the minutes of the pre-bid meeting.<br>7.7 Non-attendance at the pre-bid meeting will not be a cause for disqualification of a Bidder. |
| **8. Amendment of Bidding Document** | 8.1 At any time prior to the deadline for submission of bids, the Employer may amend the Bidding Document by issuing agenda.<br>8.2 Any addendum issued shall be part of the Bidding Document and shall be communicated in writing to all who have obtained the Bidding Document from the Employer in accordance with ITB 6.3.<br>8.3 To give prospective Bidders reasonable time in which to take an addendum into account in preparing their bids, the Employer may, |

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| | at its discretion, extend the deadline for the submission of bids, pursuant to ITB 22.2 |
| **C. Preparation of Bids** | |
| **9. Cost of Bidding** | 9.1 The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Employer shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process. |
| **10. Language of Bid** | 10.1 The Bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Employer, shall be written in the language specified in the BDS. Supporting documents and printed literature that are part of the Bid may be in another language provided they are accompanied by an accurate translation of the relevant passages in the language specified in the BDS, in which case, for purposes of interpretation of the Bid, such translation shall govern. |
| **11. Documents Comprising the Bid** | 11.1 The Bid shall comprise the following:<br>(a) Letter of Bid;<br>(b) completed Schedules, in accordance with ITB 12 and 14, or as stipulated in the BDS;<br>(c) Bid Security, in accordance with ITB 19;<br>(d) alternative bids, at Bidder's option and if permissible, in accordance with ITB 13;<br>(e) written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 20.2;<br>(f) documentary evidence in accordance with ITB 17 establishing the Bidder's qualifications to perform the Contract;<br>(g) Technical Proposal in accordance with ITB 16;<br>(h) In the case of a bid submitted by a JV, the JV agreement, or letter of intent to enter into a JV including a draft agreement, indicating at least the parts of the Works to be executed by the respective partners; and<br>(i) Any other document required in the BDS.<br>11.2 The Bidder is solely responsible for the authenticity of the |

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| | documents submitted by the Bidder. |
| **12. Letter of Bid and Schedules** | 12.1 The Letter of Bid, Schedules, and all documents listed under ITB 11, shall be prepared using the relevant forms in Section 4 (Bidding Forms), if so provided. The forms must be completed without any alterations to the text, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested. |
| **13. AlternativeBids** | 13.1 Unless otherwise indicated in the BDS, alternative bids shall not be considered.<br>13.2 When alternative times for completion are explicitly invited, a statement to that effect will be included in the BDS, as will the method of evaluating different times for completion.<br>13.3 When specified in the BDS pursuant to ITB 13.1, and subject to ITB 13.4 below, Bidders wishing to offer technical alternatives to the requirements of the Bidding Document must first price the Employer's design as described in the Bidding Document and shall further provide all information necessary for a complete evaluation of the alternative by the Employer, including drawings, design calculations, technical specifications, breakdown of prices, and proposed construction methodology and other relevant details. Only the technical alternatives, if any, of the lowest evaluated Bidder conforming to the basic technical requirements shall be considered by the Employer.<br>13.4 When specified in the BDS, Bidders are permitted to submit alternative technical solutions for specified parts of the Works. Such parts will be identified in the BDS and described in Section V (Works Requirements). The method for their evaluation will be stipulated in Section III (Evaluation and Qualification Criteria). |
| **14. Bid Prices and Discounts** | 14.1 The prices and discounts quoted by the Bidder in the Letter of Bid and in the Schedules shall conform to the requirements specified below.<br>14.2 The Bidder shall submit a bid for the whole of the works described in ITB 1.1 by filling in prices for all items of the Works, as identified in Section IV(Bidding Forms). In case of Unit Rate Contracts, the Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities. Items against which no rate or price is entered by the Bidder will not be paid for by the Employer when executed and shall be deemed |

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| | covered by the rates for other items and prices in the Bill of Quantities.<br>14.3 The price to be quoted in the Letter of Bid shall be the total price of the Bid, excluding any discounts offered.<br>14.4 Unconditional discounts, if any, and the methodology for their application shall be quoted in the Letter of Bid, in accordance with ITB 12.1.<br>14.5 If so indicated in ITB 1.1, bids are invited for individual Contracts or for any combination of Contracts (packages). Bidders wishing to offer any price reduction for the award of more than one Contract shall specify in their bid the price reductions applicable to each package, or alternatively, to individual Contracts within the package. Price reductions or discounts shall be submitted in accordance with ITB 14.4, provided the bids for all Contracts are submitted and opened at the same time.<br>14.6 Unless otherwise provided in the BDS and the Conditions of Contract, the prices quoted by the Bidder shall be fixed. If the prices quoted by the Bidder are subject to adjustment during the performance of the Contract in accordance with the provisions of the Conditions of Contract, the Bidder shall furnish the indices and weightings for the price adjustment formulae in the Table of Adjustment Data in Section IV (Bidding Forms) and the Employer may require the Bidder to justify its proposed indices and weightings.<br>14.7 The bidder is subject to local taxes such as VAT, social charges or income taxes on nonresident international personnel, and also duties, fees, levies on amounts payable by the employer under the Contract.<br>All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 30 days prior to the deadline for submission of bids, shall be included in the rates and prices and the total bid price submitted by the Bidder. |
| **15. Currency of Bid and Payment** | 15.1 The currency of the bid and payment shall be in Nepalese Rupees. |
| **16.Documents Comprising the** | 16.1 The Bidder shall furnish a Technical Proposal including a statement of work methods, equipment, personnel, schedule |

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| **Technical Proposal** | | and any other information as stipulated in Section IV (Bidding Forms), in sufficient detail to demonstrate the adequacy of the Bidders' proposal to meet the work requirements and the completion time. |
| **17. Documents Establishing the Qualifications of the Bidder** | 17.1 | To establish its qualifications to perform the Contract in accordance with Section III (Evaluation and Qualification Criteria) the Bidder shall provide the information requested in the corresponding information sheets included in Section IV (Bidding Forms). |
| **18. Period of Validity of Bids** | 18.1 | Bids shall remain valid for the period specified in the BDS after the bid submission deadline date prescribed by the Employer. A bid valid for a shorter period shall be rejected by the Employer as nonresponsive. |
| | 18.2 | In exceptional circumstances, prior to the expiration of the bid validity period, the Employer may request Bidders to extend the period of validity of their Bids. The request and the responses shall be made in writing. If a bid security is requested in accordance with ITB 19, it shall also be extended 30 days beyond the deadline of the extended validity period. A Bidder may refuse the request without forfeiting its bid security. A Bidder granting the request shall not be required or permitted to modify its Bid. |
| **19. Bid Security** | 19.1 | The Bidder shall furnish as part of its bid, in original form, a bid security as specified in the BDS. |
| | 19.2 | The bid security shall be, at the Bidder's option, in any of the following forms:<br>(a) an unconditional bank guarantee from "A" class commercial bank or;<br>(b) a cash deposit voucher in the Employer's Account as specified in BDS.<br>In the case of a bank guarantee, the bid security shall be submitted either using the Bid Security Form included in Section IV (Bidding Forms) or in another Form acceptable to the employer. The form must include the complete name of the Bidder. The bid security shall be valid for minimum thirty (30) days beyond the original validity period of the bid, or beyond any period of extension if requested under ITB 18.2. |
| | 19.3 | The bid security issued by any foreign Bank outside Nepal must |

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| | be counter guaranteed by an "A" class commercial Bank in Nepal.<br>19.4 Any bid not accompanied by an enforceable and substantially compliant bid security shall be rejected by the Employer as nonresponsive.<br>19.5 The bid security of unsuccessful Bidders shall be returned within three days, once the successful bidder has furnished the required performance security and signed the Contract Agreement pursuant to ITB 38.1and 39.1.<br>19.6 The bid security shall be forfeited if:<br>(a) a Bidder requests for withdrawal or modification of its bid, except as provided in ITB 18.2:<br>(i) during the period of bid validity specified by the Bidder on the Letter of Bid, in case of electronic submission;<br>(ii) from the period twenty-four hours prior to bid submission deadline up to the period of bid validity specified by the Bidder on the Letter of Bid, in case of hard copy submission.<br>(b) a bidder changes the prices or substance of the bid while providing information pursuant to clause 27.1;<br>(c) a bidder involves in fraud and corruption pursuant to clause 3.1;<br>(d) the successful Bidder fails to:<br>(i) furnish a performance security in accordance with ITB 39.1;<br>(ii) sign the Contract in accordance with ITB 40.1; or<br>(iii) accept the correction of arithmetical errors pursuant to clause 32 ;<br>19.7 The Bid Security of a JV shall be in the name of the JV that submits the bid. If the JV has not been legally constituted at the time of bidding, the Bid Security shall be in the names of all future partners as named in the letter of intent mentioned in ITB 4.1. |
| **20. Format and Signing of Bid** | 20.1 The Bidder shall prepare one original of the documents comprising the bid as described in ITB 11 and clearly mark it ORIGINAL". Alternative bids, if permitted in accordance with ITB 13, shall be clearly marked "ALTERNATIVE". In addition, the Bidder shall submit copies of the bid in the number specified in the BDS, and clearly mark each of them "COPY." In the |

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| | event of any discrepancy between the original and the copies, the original shall prevail.<br>20.2 The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. This authorization shall consist of a written confirmation as specified in the BDS and shall be attached to the bid. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the bid, except for un amended printed literature, shall be signed or initialed by the person signing the bid.<br>20.3 Any amendments such as interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the bid. |
| **D. Submission and Opening of Bids** | |
| **21. Sealing and Marking of Bids** | 21.1 Bidders may always submit their bids by mail or by hand or by courier. When so specified in the BDS, bidders shall have the option of submitting their bids electronically. Procedures for submission, sealing and marking are as follows:<br>(a) Bidders submitting bids by mail, by hand or by courier<br>i. Bidders shall enclose the original and each copy of the Bid, including alternative bids, if permitted in accordance with ITB 13, in separate sealed envelopes, duly marking the envelopes as<br>"ORIGINAL", "ALTERNATIVE" and "COPY." These envelopes containing the original and the copies shall then be enclosed in one single envelope.<br>ii. The inner and outer envelopes shall:<br>(aa) bear the name and address of the Bidder;<br>(bb) be addressed to the Employer as provided in BDS 22.1;<br>(cc) bear the specific identification of this bidding process indicated in BDS 1.1; and<br>(dd) The outer envelope and the inner envelope containing the Bid shall bear a warning not to open before the time and date for the opening of |

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| | Bid in accordance with ITB 25.1.<br>iii. If all envelopes are not sealed and marked as required, the Employer will assume no responsibility for the misplacement or premature opening of the bid.<br>(b) Bidders submitting bids electronically shall follow the electronic bid submission procedures specified in the BDS. |
| **22. Deadline for Submission of Bids** | 22.1 Bids must be received by the Employer at the address and no later than the date and time indicated in the BDS.<br>22.2 The Employer may, at its discretion, extend the deadline for the submission of bids by amending the Bidding Document in accordance with ITB 8, in which case all rights and obligations of the Employer and Bidders previously subject to the deadline shall thereafter be subject to the deadline as extended. |
| **23. Late Bids** | 23.1 The Employer shall not consider any bid that arrives after the deadline for submission of bids, in accordance with ITB 22. Any bid received by the Employer after the deadline for submission of bids shall be declared late, rejected, and returned unopened to the Bidder. |
| **24. Withdrawal, and Modification of Bids** | 24.1 A Bidder may withdraw, or modify its bid after it has been submitted either in hard copy or by e-submission. Procedures for withdrawal or modification of submitted bids are as follows:<br>Bids submitted in hard copy<br>(a) Bidders may withdraw or modify its bids by sending a written notice in a sealed envelope, duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITB 20.2 before 24 hours prior to the deadline of submission of bids. The corresponding modification of the bid must accompany the respective written notice. All notices must be:<br>(aa) prepared and submitted in accordance with ITB 20 and ITB 21,and in addition, the respective envelopes shall be clearly marked "WITHDRAWAL", "MODIFICATION;" and<br>(bb) received by the Employer twenty four hour prior to the deadline prescribed for submission of bids, in accordance with ITB 22.<br>24.2 Bids requested to be withdrawn in accordance with ITB 24.1 shall be returned unopened to the Bidders after completion of the bid opening. |

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| | 24.3 Bidder may submit request for withdrawal or modification only one time.<br>24.4 No bid may be withdrawn if the bid has already been modified.<br>24.5 Request for withdrawal or modification must be made through the same medium of submission. Request for withdrawal or modifications through different medium shall not be considered.<br>24.6 The following provisions apply for withdrawal or modification of the Bids:<br>(i) In case of bids submitted in hard copy no bid shall be withdrawn or modified in the interval between 24 hours prior to the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Letter of Bid or any extension thereof.<br>(ii) In case of e-submitted bids no bids shall be withdrawn or modified in the interval between deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Letter of Bid or any extension thereof. |
| **25. Bid Opening** | 25.1 The Employer shall open the bids in public at the address, date and time specified in the BDS in the presence of Bidders' designated representatives who choose to attend.<br>25.2 The Employer shall download the e-submitted bid files.<br>25.3 Electronically submitted bid shall be opened at first in the same time and date as specified above. Electronic Bids shall be opened one by one and read out. The e-submitted bids must be readable through open standards interfaces. Unreadable and or partially submitted bid files shall be considered incomplete.<br>25.4 First, envelopes marked "WITHDRAWAL" shall be opened and read out and the envelope with the corresponding bid shall notbe opened, but returned to the Bidder. No bid withdrawal shall be Permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at bid opening. Next, envelopes marked "MODIFICATION" shall be opened and read out with the corresponding bid. No bid modification shall be permitted unless the corresponding modification notice contains a valid authorization to request the modification and is read out at bid opening. Only envelopes that are opened and read out at bid |

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| | opening shall be considered further.<br>25.5 All other envelopes shall be opened one at a time, reading out: the name of the Bidder; the Bid Price(s), including any discounts and alternative bids and indicating whether there is a modification; the presence of a bid security and any other details as the Employer may consider appropriate. Only discounts and alternative offers read out at bid opening shall be considered for evaluation.<br>No bid shall be rejected at bid opening except for late bids, in accordance with ITB 23.1.<br>25.6 The Employer shall prepare a record of the bid opening that shall include, as a minimum: the name of the Bidder and whether there is a withdrawal, or modification; the Bid Price, per Contract if applicable, including any discounts and alternative offers; and the presence or absence of a bid security. The Bidders' representatives who are present shall be requested to sign the record. The omission of a Bidder's signature on the record shall not invalidate the contents and effect of the record. |
| **E. Evaluation and Comparison of Bids** | |
| **26. Confidentiality** | 26.1 Information relating to the examination, evaluation, comparison, and post-qualification of bids and recommendation of Contract award, shall not be disclosed to Bidders or any other persons not officially concerned with such process until information on Contract award is communicated to all Bidders.<br>26.2 Any attempt by a Bidder to influence the Employer in the evaluation of the bids or Contract award decisions may result in the rejection of its bid.<br>26.3 Notwithstanding ITB 26.2, from the time of bid opening to the time of Contract award, if any Bidder wishes to contact the Employer on any matter related to the bidding process, it may do so in writing. |
| **27. Clarification of Bids** | 27.1 To assist in the examination, evaluation, and comparison of the bids, and qualification of the Bidders, the Employer may, at its discretion, ask any Bidder for a clarification of its bid. Any clarification submitted by a Bidder that is not in response to a request by the Employer shall not be considered. The Employer's request for clarification and the response shall be in writing. No change in the prices or substance of the bid shall be |

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| | sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the bids, in accordance with ITB 32. In case of e-submission of bid, upon notification from the employer, the bidder shall also submit the original of documents comprising the bid as per ITB 11.1 for verification of submitted documents for acceptance of the e-submitted bid.<br>27.2 If a Bidder does not provide clarifications of its bid by the date and time set in the Employer's request for clarification, its bid may be rejected. |
| **28. Deviations, Reservations, and Omissions** | 28.1 During the evaluation of bids, the following definitions apply:<br>(a) "Deviation" is a departure from the requirements specified in the Bidding Document;<br>(b) "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the Bidding Document; and<br>(c) "Omission" is the failure to submit part or all of the information or documentation required in the Bidding Document. |
| **29. Determination of Responsiveness** | 29.1 The Employer's determination of a bid's responsiveness is to be based on the contents of the bid itself, as defined in ITB11.<br>29.2 A substantially responsive bid is one that meets the requirements of the Bidding Document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that,<br>(a) if accepted, would:<br>(i) affect in any substantial way the scope, quality, or performance of the Works specified in the Contract;<br>or<br>(ii) limit in any substantial way, inconsistent with the Bidding Document, the Employer's rights or the Bidder's obligations under the proposed Contract; or<br>(b) if rectified, would unfairly affect the competitive position of other Bidders presenting substantially responsive bids. |

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| | 29.3 The Employer shall examine the technical aspects of the bid submitted in accordance with ITB 16, Technical Proposal, in particular, to confirm that all requirements of Section V (Works Requirements) have been met without any material deviation, reservation or omission.<br>29.4 If a bid is not substantially responsive to the requirements of the Bidding Document, it shall be rejected by the Employer and may not subsequently be made responsive by correction of the material deviation, reservation, or omission.<br>29.5 In case of e-submission bids, the Employer evaluates the bid on the basis of the information in the electronically submitted bid files. If the Bidder cannot substantiate or provide evidence to establish the information provided in e-submitted bid through documents/ clarifications as per ITB Clause 27.1, the bid shall not be considered for further evaluation. |
| **30.Nonconformities, Errors, and Omissions** | 30.1 Provided that a bid is substantially responsive, the Employer may waive any non-conformities, errors & omission in the bid that do not constitute a material deviation, reservation, or omission.<br>30.2 Provided that a bid is substantially responsive, the Employer may request that the Bidder submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities in the bid related to documentation requirements. Requesting information or documentation on such nonconformities shall not be related to any aspect of the price of the bid. Failure of the Bidder to comply with the request may result in the rejection of its bid.<br>30.3 Provided that a bid is substantially responsive, the Employer shall rectify quantifiable nonmaterial nonconformities related to the Bid Price. To this effect, the Bid Price may be adjusted, for comparison purposes only, to reflect the price of a missing or non-conforming item or component. The adjustment shall be made using the methods indicated in Section III (Evaluation and Qualification Criteria).<br>30.4 If minor discrepancies are found such as in technical specification, description, feature which does not make the bid to be rejected, then the cost, which is calculated to the extent possible due to such differences, shall be included while evaluating the bid. |

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| | 30.5 If the value of such non-conformities is found to be more than fifteen percent of the quoted amount of the bidder on account of minor discrepancies pursuant to ITB 30.4, such bid shall be considered ineffective in substance and shall not be involved in evaluation. |
| **31. Correction of Arithmetical Errors** | 31.1 Provided that the bid is substantially responsive, the Employer shall correct arithmetical errors on the following basis:<br>(a) only for unit price Contracts, if there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the Employer there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected;<br>(b) if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and<br>(c) If there is a discrepancy between the bid price in the Summary of Bill of Quantities and the bid amount in item (c) of the Letter of Bid, the bid price in the Summary of Bill of Quantities will prevail and the bid amount in item (c) of the Letter of Bid will be corrected.<br>(d) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a), (b) and (c) above.<br>31.2 If the Bidder that submitted the lowest evaluated bid does not accept the correction of errors, its bid shall be disqualified and its bid security shall be forfeited. |
| **32. Evaluation of Bids** | 32.1 The Employer shall use the criteria and methodologies listed in this Clause. No other evaluation criteria or methodologies shall be permitted.<br>32.2 To evaluate a bid, the Employer shall consider the following:<br>(a) the bid price, excluding Value Added Tax, Provisional |

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| | Sums, and the provision, if any, for contingencies in the Summary Bill of Quantities, for Unit Rate Contracts, or Schedule of Prices for lump sum Contracts, but including Day work items, where priced competitively;<br>(b) price adjustment for correction of arithmetic errors in accordance with ITB 32;<br>(c) price adjustment due to discounts offered in accordance with ITB 14.4;<br>(d) adjustment for nonconformities in accordance with ITB 30;<br>(e) application of all the evaluation factors indicated in Section III (Evaluation and Qualification Criteria);<br>32.3 The estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be taken into account in bid evaluation.<br>32.4 If this Bidding Document allows Bidders to quote separate prices for different Contracts, and to award multiple Contracts to a single Bidder, the methodology to determine the lowest evaluated price of the Contract combinations, including any discounts offered in the Letter of Bid, is specified in Section III (Evaluation and Qualification Criteria).<br>32.5 If the bid for an Unit Rate Contract, which results in the lowest Evaluated Bid Price, is seriously unbalanced, front loaded or substantially below updated estimates in the opinion of the Employer, the Employer may require the Bidder to produce detailed price analysis for any or all items of the Bill of Quantities, to demonstrate the internal consistency of those prices with the construction methods and schedule proposed. After evaluation of the price analysis, taking into consideration the schedule of estimated Contract payments, the Employer may require that the amount of the performance security be increased at the expense of the Bidder as mentioned in BDS to protect the Employer against financial loss in the event of default of the successful Bidder under the Contract.<br>32.6 In case of e-submission bids, the Employer evaluates the bid on the basis of the information in the electronically submitted bid files. If the Bidder cannot substantiate or provide evidence to establish the information provided in e-submitted bid |

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| | | through documents/ clarifications as per ITB Clause 27.1, the bid shall not be considered for further evaluation. |
| **33. Comparison of Bids** | 33.1 | The Employer shall compare all substantially responsive bids in accordance with ITB 32.2 to determine the lowest evaluated bid. |
| **34. Qualification of the Bidder** | 34.1 | The Employer shall determine to its satisfaction during the evaluation of Bids whether Biddersmeet the qualifying criteria specified in Section III (Evaluation and Qualification Criteria). |
| | 34.2 | The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, pursuant to ITB 17.1. |
| | 34.3 | An affirmative determination of qualification shall be a prerequisite for the opening and evaluation of a Bidder's Price Bid. A negative determination shall result into the disqualification of the Bid. |
| **35. Employer's Right to Accept Any Bid, and to Reject Any or All Bids** | 35.1 | 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 Contract award, without thereby incurring any liability to Bidders. In case of annulment, all bids submitted and specifically, bid securities, shall be promptly returned to the Bidders. |
| **F. Award of Contract** | | |
| **36. Award Criteria** | 36.1 | The Employer shall award the Contract to the Bidder whose offer has been determined to be the lowest evaluated bid and is substantially responsive to the Bidding Document, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily. |
| **37. Letter of Intent to Award the Contract/Notification of Award** | 37.1 | The Employer shall notify the concerned Bidder whose bid has been selected in accordance with ITB 37.1 within seven days of the selection of the bid, in writing that the Employer has intention to accept its bid and the information regarding the name, address and amount of selected bidder shall be given to all other bidders who submitted the bid. |
| | 37.2 | If no bidder submits an application pursuant to ITB 40 within a period of seven days of the notice provided under ITB 37.1, the Employer shall, accept the bid selected in accordance with ITB 36.1 and Letter of Acceptance shall be communicated to the |

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| | selected bidder prior to the expiration of period of Bid validity, to furnish the performance security and sign the contract within fifteen days. |
| **38. Performance Security** | 38.1 Within Fifteen (15) days of the receipt of Letter of Acceptance from the Employer, the successful Bidder shall furnish the performance security in accordance with the Conditions of Contract, as specified below from A class Commercial Bank using Sample Form for the Performance Security included in Section IX (Contract Forms), or another form acceptable to the Employer. The performance security issued by any foreign Bank outside Nepal must be counter guaranteed by an "A" class commercial Bank in Nepal.<br>i) If bid price of the bidder selected for acceptance is up to 15 (fifteen) percent below the approved cost estimate, the performance security amount shall be 5 (five) percent of the bid price.<br>ii) For the bid price of the bidder selected for acceptance is more than 15 (fifteen) percent below of the cost estimate, the performance security amount shall be determined as follows:<br>**Performance Security Amount = [(0.85 × Cost Estimate – Bid Price) × 0.5] + 5% of Bid Price.**<br>The Bid Price and Cost Estimate shall be inclusive of Value Added Tax.<br>38.2 Failure of the successful Bidder to submit the above-mentioned Performance Security or to sign the Contract Agreement shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security. In that event the Employer may award the Contract to the next lowest evaluated Bidder whose offer is substantially responsive and is determined by the Employer to be qualified to perform the Contract satisfactorily. The process shall be repeated according to ITB 37. |
| **39. Signing of Contract** | 39.1 The Employer and the successful Bidder shall sign the Contract Agreement within the period as stated ITB 38.1.<br>39.2 At the same time, the Employer shall affix a public notice on the result of the award on its notice board and make arrangement for causing such notice to be affixed on the notice board also of the District Development Committee, District Administration Office and District Treasury and Controller Office. The Employer may |

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| | make arrangements to post the notice into its website, if it has; and if it does not have, into the website of the Public Procurement Monitoring Office, identifying the bid and lot numbers and the following information: (i) the result of evaluation of bid; (ii) date of publication of notice inviting bids; (iii) name of newspaper; (iv) reference number of notice; (v) item of procurement; (vi) name and address of bidder making contract and (viii) contract price.<br>39.3 Within thirty (30) days from the date of issuance of notification pursuant to ITB 37.1 unsuccessful bidders may request in writing to the Employer for a debriefing seeking explanations on the grounds on which their bids were not selected. The Employer shall promptly respond in writing to any unsuccessful Bidder who, requests for debriefing.<br>39.4 If the bidder whose bid has been accepted fails to sign the contract as stated ITB 39.1, the Public Procurement Monitoring Office shall blacklist the bidder on recommendation of the Public Entity. |
| **40. Complaint and Review** | 40.1 If a Bidder is dissatisfied with the Procurement proceedings or the decision made by the Employer in the intention to award the Contract, it may file an application to the Chief of the Public Entity within Seven (7) days of providing the notice under ITB 38.1 by the Public Entity, for review of the proceedings stating the factual and legal grounds.<br>40.2 Late application filed after the deadline pursuant to ITB 40.1 shall not be processed.<br>40.3 The chief of Public Entity shall, within five (5) days after receiving the application, give its decision with reasons, in writing pursuant to ITB 40.1:<br>(a) whether to suspend the procurement proceeding and indicate the procedure to be adopted for further proceedings; or<br>(b) to reject the application.<br>The decision of the chief of Public Entity shall be final for the Bid amount up to the value as stated in 40.4.<br>40.4 If the Bidder is not satisfied with the decision of the Public Entity in accordance with ITB 40.3, or the decision by the Employer is not given within five (5) days of receipt of application pursuant to ITB 40.1, it can, within seven (7) days of receipt of such |

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| | decision, file an application to the Review Committee of the GoN, stating the reason of its disagreement on the decision of the chief of Public Entity and furnishing the relevant documents. The application may be sent by hand, by post, by courier, or by electronic media at the risk of the Bidder itself.<br>40.5 Late application filed after the deadline pursuant to ITB 40.4 shall not be processed.<br>40.6 Within three (3) days of the receipt of application from the Bidder, pursuant to ITB 40.4, the Review Committee shall notify the concerning Public Entity to furnish its procurement proceedings, pursuant to ITB 40.3.<br>40.7 Within three (3) days of receipt of the notification pursuant to ITB 41.6, the Public Entity shall furnish the copy of the related documents to the Review Committee.<br>40.8 The Review Committee, after inquiring from the Bidder and the Public Entity, if needed, shall give its decision within one (1) month of the receipt of the application filed by the Bidder, pursuant to ITB 40.4.<br>40.9 The Bidder, filing application pursuant to ITB 41.4, shall have to furnish a cash amount or Bank guarantee from "A" class commercial bank equivalent to zero point one five percent (0.15%) of its quoted Bid amount with the validity period of at least ninety (90) days from the date of the filing of application pursuant to ITB 40.4.<br>40.10 If the claim made by the Bidder pursuant to ITB 41.4 is justified, the Review Committee shall have to return the security deposit to the applicant, pursuant to ITB 40.9, within seven (7) days of decision made. |

# SECTION - II
## Bid Data Sheet

| A. General | |
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| ITB 1.1 | The number of the Invitation for Bids is: **CRED/Line /2074/075-13** |
| ITB 1.1 | The Employer is: **Nepal Electricity Authority**<br>**Distribution and Consumer Services Directorate**<br>**Butwal Regional Office, Kalikanagar , Butwal** |
| ITB 1.1 | The number and identification of lots comprising this bidding process is: **N/A**<br>Following is the addition of the new definitions:<br>(a) "Bidder" shall mean a legally registered entity submitting the Bid proposal. The entity may be a supplier or manufacturer of the tendered Goods or contractor or any combination of them in the form of a Joint Venture as specified in Qualification Requirements.<br>(b) "Joint Venture" shall mean a legally enforceable association constituted by legally registered entities with the purpose of committing the obligations required by the Bid.<br>(c) "Goods" shall mean equipment, plant, goods, materials, etc. to be supplied and installed for the completion of the work as particularly described in the specifications.<br>The name of project is :<br>**Supply, Delivery, Installation/Erection, Testing and Comissioning of 33kV Electrical Transmission Network using lattice tower with conductor stringing across Rapti river at Bhalubang** |
| ITB 2.1 | The DP is: **Not Applicable**<br>The implementing agency is: **Nepal Electricity Authority (NEA)**<br>Source of Fund: **Ministry of industry** |
| ITB 4.1 (a) | Maximum number of partner in a joint venture shall be : 3 (three) |

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| | The qualification requirement of the parties to the JV shall be :<br>Lead partner – at least 40%<br>Other partners – at least 25%<br>Overall (Lead partner plus other partners) – 100 % |
| ITB 4.2 | Eligible Countries Nepal only |
| **B. Bidding Document** | |
| ITB 7.1 | For clarification purposes only, the Employer's address is:<br>Attention: **Project Manager**<br>Address: **Nepal Electricity Authority**<br>**Butwal Regional Office Kalika nagar**<br>***Tel.:* 00977 71437735;**<br>***Fax:* 0097771 437009** |
| ITB 7.4 | A Pre-Bid meeting **"shall not"** be held.<br>A site visit shall not be organized by the Employer. |
| ITB 7.5 | Time for request: Requests for clarification should be received by the Employer no later than 07 days prior to the deadline for submission of bids. |
| **C. Preparation of Bids** | |
| ITB 10.1 | The language of the bid is: **English/Nepali** |
| ITB 11.1 (b) | In accordance with ITB 12 and ITB 14, the following schedules shall be submitted with the bid, including the priced Bill of Quantities for Unit Rate Contracts and Schedule of Prices for lump sum contracts: **N/A** |
| ITB 11.1 (i) | The Bidder shall submit with its bid the following additional documents: ***I. wind pressure and sag tension calculation***<br>***II. Tower electrical clearance diagram, tower type design diagram***<br>***III. design load calculation, load tree, Body wind load calculation, main member design chart, redundant member design,*** |

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| | ***bending check, foundation load*** |
| ITB 13.1 | Alternative bids "shall not be" permitted. |
| ITB 13.2 | Alternative times for completion "shall not be" permitted. |
| ITB 13.4 | Alternative technical solutions shall be permitted for the following parts of the Works: **None** |
| ITB 14.6 | The prices quoted by the Bidder shall not be subject to adjustment during the performance of the Contract. |
| ITB 18.1 | The bid validity period shall be: **90 days.** |
| ITB 19.1 | The Bidder shall furnish a bid security, from "A" class commercial bank with a minimum of **NRs.2,00,000** which shall be valid for 30 days beyond the validity period of the bid. |
| ITB 19.2 (b) | Account Name:**Nepal Electricity Authority**<br>Bank Name: **Jyoti Bikas Bank**<br>Bank Address: **Butwal , Nepal**<br>Account Number: 00200200100008737000001 |
| ITB 20.1 | In addition to the original of the bid, the number of copies are: Not Applicable |
| ITB 20.2 | The written confirmation of authorization to sign on behalf of the Bidder shall indicate:<br>(a) The name and description of the documentation required to demonstrate the authority of the signatory to sign the Bid such as a Power of Attorney; and<br>(b) In the case of Bids submitted by an existing or intended JV, an undertaking signed by all parties (i) stating that all parties shall be jointly and severally liable, and (ii) nominating a Representative who shall have the authority to conduct all business for and on behalf of any and all the parties of the JV during the bidding process and, in the event the JV is awarded the Contract, during contract execution. |

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| **D. Submission and Opening of Bids** | |
| ITB 21.1 | Bidders "shall" have the option of submitting their bids electronically. |
| ITB 22.1 | For bid submission purposes only, the Employer's address is :<br>**Nepal Electricity Authority**<br>**Distribution and Consumer Services Directorate**<br>**Butwal Regional Office Kalika nagar**<br>***Tel.:* 00977 71438584;**<br>***Fax:* 0097771 437009**<br>The deadline for bid submission is :<br>Date : **Apr 08, 2018**<br>Time : **On or Before 12:00noon.** |
| ITB 25.1 | The bid opening shall take place at :<br>**Nepal Electricity Authority**<br>**Distribution and Consumer Services Directorate**<br>**Butwal Regional Office Kalika nagar**<br>***Tel.:* 00977 71438584;**<br>***Fax:* 0097771 437009**<br>The deadline for bid submission is :<br>Date : **Apr 09, 2018**<br>Time : **At 14:00 hours** |
| **E. Evaluation and Comparison of Bids** | |
| ITB 32.5 | The amount of the performance security shall be increased by Eight (8) percent of the quoted bid price. |

## F. Special Instructions to Bidders for e-Bidding

**A) Bid preparation:**

A Bidder who wish to submit the bid electronically may purchase the Bid Document directly from the Employer office or may download the bid document from the website and deposit the equivalent amount in the Revenue account of the employer as specified in the notice or/and Bid Document.

B) **Description of bid submission procedure through electronically (e-submission) only :**

i. Interested bidders shall, either purchase the Bid Document directly from the Employer office or may download the bid document from the website and deposit the equivalent amount in the Revenue account of the employer as specified in the notice or/and Bid Document.

ii. The Bidder shall fill the following documents and forms (in hard copy of issued bid documents), signed by the authorized representative with seal of the company
   a) Bill of Quantity (BOQ) with rate, amount
   b) Forms of Bid, Qualification Information

iii. The Bidder shall then scan the completed original documents, forms in PDF files with appropriate filename shown in the table below.

| S. No. | Document Name | Mandatory | Filename | Remarks |
|---|---|---|---|---|
| **Single Envelop Document set (As Guided by PPMO)** | | | | |
| 1 | Letter of Bid | 1 | Letter bid -1 | |
| 2 | Bid Security (Bank Guarantee) | 1 | Bid security-2 | |
| 3 | Company registration, | 1 | Company reg-3 | |
| 4 | VAT registration, | 1 | VAT reg-4 | Mandatory for National Firms |
| 5 | Tax clearances certificate, | 1 | Tax-5 | Mandatory for National Firms |
| 6 | Power of Attorney of Bid signatory | 1 | Power of att-6 | |
| 7 | Business Registration (License) Certificate | 1 | Licence-7 | |
| 8 | Bank Voucher for Cost of Bid Doc | 1 | Voucher-8 | |
| 9 | Joint Venture Agreement | 1 | JV-Doc-9 | Mandatory for JV Firms |
| 10 | Qualification Information | 1 | Qualification -10 | |
| 11 | Applicable Price Adjustment Table | 1 | Price adjust-11 | Mandatory if Applicable |

| | | | | |
|---|---|---|---|---|
| 12 | Complete BOQ | 1 | BOQ-12 | |
| 13 | Tower design | 1 | | Tower require for 450 m span river crossing |

Note: ***Mandatory*** *means the mentioned files shall be in e-submission and non submission of such file shall be considered as non-responsive.*

iv. For e-submission purpose the Bidder shall, at first, register in the e-procurement section of NEA Web site **http://www.nea.org.np**

v. After preparing all the required bidding documents in PDF scan files as specified in (ii) and

vi. The Bidder shall upload the PDF bid files and submit his complete bid online through e-procurement section of NEA website **http://www.nea.org.np** within the specified date and time.

**C) The Employers address for the purpose of e-submission of bid:**

i. The Employers address for the purpose of electronic Bid submission is e-procurement section of http://www.nea.org.np**.**

ii. In case of e-submission of bid, the bidder shall submit his bid electronically in PDF files in the manner as specified above and additional submission of hard copy of "Original plus one copy of bid" is not mandatory.

iii. In case both the electronic bid and original bid in hard copy are submitted to the Employer within the specified time period, the Bidder's electronic bid and original bid in hard copy will be accepted for evaluation provided the Bid price in Bill of Quantity Sheet is same. If there is any discrepancy in Bid price in Bill of Quantity between the electronic and original bid in hard copy it will be treated as two separate bids from one Bidder and hence, both the electronic bid and original bid in hard copy shall be disqualified, as per ITB Clause.

iv. However, for electronically submitted bid in PDF files, the bidder shall be required to submit documents/clarifications as specified in ITB Clause.

**D) The deadline for e-submission of bids shall be :**

i. Bidders shall be also explained about the details of e-submission procedures in the pre-bid meeting.

ii. The e-procurement system will accept the e-submission of bid during office hours from the date after publishing the notice and will automatically not allow the e-submission of bid after the deadline for submission of bid, as specified above.

iii. The standard time for e-submission is Nepalese standard time as set out in the server of NEA.

iv. In case of e-submission of bid, the Bidder shall submit his bid electronically in PDF files in the manner as specified in ITB Clause only, and submission of "original plus one copy" shall not be required before deadline for submission time as per ITB Clause.

E) **Provision for Substitution or Modification or Withdrawal of Bid :**

When a bidder submits his bid in hard copy the e-procurement section **does not allow** the Bidder to submit his Substitution, or Modification, or Withdrawal through e-procurement section of NEA's Web site

**In case of e-submitted bid;**

i. Bidders may submit his Substitution or Modification or Withdrawal either in hard copy or through e-submission.

ii. For Substitution of Bid the Bidder shall follow similar steps as specified in ITB Clause with a Substitution letter in PDF file.

iii. For Modification or Withdrawal of bid the Bidder is required to submit PDF scan copy of their Modification or Withdrawal letter and a written Power of Attorney of the signatory for Modification/ Withdrawal, duly signed by Authorized Representative/s of the Firm / all authorized Joint Venture partners.

**Bid opening for e-submitted bid;**

i. Electronically submitted bid shall be opened first at the same time and date as specified in the ITB and IFB notice.

ii. The e-procurement system allows the Employer to download and open the e-submitted bid files from bidders only after the time for opening the bids.

iii. The e-submitted bids must be readable through open standards interfaces. Unreadable and or partially submitted bid files (not complying the ITB Clauses) shall be considered incomplete and rejected for further bid evaluation.

iv. After opening of e-submitted bids files, all files shall be printed and recorded at the time of bid opening

In case of "WITHDRAWAL" or "MODIFICATION" or "SUBSTITUTION" by the Bidder through e-submission, the e-submitted PDF files under "WITHDRAWAL" or "MODIFICATION" or "SUBSTITUTION" shall be opened and read out first. Bids for which acceptable notice of "WITHDRAWAL" or "SUBSTITUTION" has been submitted pursuant to ITB Clause shall not be opened.

**Clarification of Bid**

In case of e-submission of bid, the Bidder shall be required to submit the original completed Bid consisting of Forms of Bid, Qualification Information, Special Conditions of Contract, Bill of Quantities, Supplementary Information and other clarifications for verification purpose upon notification to do so from the Employer.

**Examination of e-submitted Bids and Determination of Responsiveness**

For an e-submitted bid to be substantially responsive the requirement as specified in the ITB Clauses shall be fulfilled.

F) **Evaluation and Comparison of e-submitted Bids:**

i. In case of e-submitted bids, the Employer evaluates the bid based on the information as per electronically submitted bid files. For clarification/ verification purpose, the Employer may request the Bidder to submit documents/ clarifications as specified in ITB Clause.

ii. In case, the Bidder could not substantiate or provide evidence to prove the information provided in e-submitted bid through documents/ clarifications as per

ITB Clause, the bid shall not be considered for further evaluation and respective ITB Clause for forfeiture of bid security shall be applicable.

G) **Steps to be followed by a Bidder to submit the electronic bid submission**

i. **Prepare the paper bid document**

- Either purchase the Bid Document directly from the Employer office or may download the bid document from the website and deposit the equivalent amount in the Revenue account of the employer as specified in the notice or/and Bid Document.
- Fill the rates and amount in BOQ,
- Fill the Bid Form,
- Prepare the necessary copy of Company registration, VAT/PAN registration , Tax clearance certificate,
- Prepare the necessary specific papers like Power of Attorney for bid signatory, Joint Venture agreement, if bidding in JV,
- Prepare summary of qualification information sheet (Financial turnover, Experience, Manpower, Equipment, Credit line, Litigation etc) in the specified format,
- Prepare the bid guarantee letter for the specified bid security amount and in the specified format,

ii. **Prepare the Electronic bid files in pdf format**

- Once prepared the above paper documents the bidder shall prepare the electronic bid files in pdf format as follows;
- Scan the above documents in pdf format, give the specific file name for each document,
- Prepare all scanned bid files in pdf format and save them in a separate folder in own computer to ease bid uploading process,

iii. **Electronic bid submission**

- Once the electronic bid files are ready the Bidder shall connect to internet,
- Open the NEAs website www.nea.org.np and open E-procurement section,
- Register in the Bidders name and get User name and Password for Login,
- Confirm the registration by clicking the specified link in auto generated e-mail from NEAs web site,
- After confirmation for bidders registration click Bidder, fill User name, Password and Login,
- Choose and click the specific tender notice for which the electronic bid files has been prepared,
- Click the Bid now button to submit the electronic bid files,
- Upload each specified electronic bid files by clicking the Upload button and select the respective bid files by Browsing,
- Once all the electronic bid files are uploaded, click the Submit the Bid button for final e-submission of electronic Bid,
- Once the e-submission is successfully completed the Bidder shall receive a auto generated confirmation e-mail from the NEAs website,
- Bidder to keep the conventional paper bid document , qualification information, and other related documents safe as the Buyer may seek the supporting bid documents and clarifications, as necessary during bid evaluation process.
- The Bidder shall submit the necessary supporting documents and clarifications (conventional bid document)

# SECTION - III
# Evaluation and Qualification Criteria

This Section contains all the criteria that the Employer shall use to evaluate bids and qualify Bidders by post-qualification exercise. **GoN/**DP requires bidders to be qualified by meeting predefined, precise minimum requirements. The method sets pass-fail criteria, which, if not met by the bidder, results in disqualification. In accordance with ITB 32 and ITB 34, no other methods, criteria and factors shall be used. The Bidder shall provide all the information requested in the forms included in Section IV (Bidding Forms).

## 1. Evaluation

In addition to the criteria listed in ITB 32.2 (a) – (e) the following criteria shall apply:

Note:
Use the evaluation criteria listed below as appropriate and required for the project.

### 1.1 Adequacy of Technical Proposal

Evaluation of the Bidder's Technical Proposal will include an assessment of the Bidder's technical capacity, to mobilize key equipment and personnel for the contract consistent with its proposal regarding work methods, scheduling, and material sourcing in sufficient detail and fully in accordance with the requirements stipulated in Section V (Works Requirements).

### 1.2 Multiple Contracts (Not Applicable)

### 1.3 Completion Time

Time to complete the plant and services from the effective date for determining time for completion of pre-commissioning activities is: **3 months (90day)**. Earlier Completion will be appreciable.

### 1.4 Alternative Technical Solutions (Not Applicable)

### 1.5 Quantifiable Nonconformities, Errors and Omissions

The evaluated amount of quantifiable nonconformities, errors and/or omissions shall be determined by ascertaining the price of such effect on an equal basis by adjusting the same to the quoted price of the bid. A bid having minor deviations and having no material deviation to cause any serious effect upon the scope, quality, characteristics, terms and conditions, performance or any other requirements stated in the bidding documents and acceptable to the Employer can be considered to be substantially responsive.

**2.** Qualification

Failure to fulfill any of the requirements specified in Qualification Requirements given below from 2.1 to 2.11shall result in disqualification of the Bid.

| Criteria | | Compliance Requirements | | | Documents |
|---|---|---|---|---|---|
| Requirement | Single Entity | Joint Venture | | | Submission Requirements |
| | | All Partners Combined | Each Partner | One Partner | |
| **2.1 Power of Attorney** | | | | | |
| The Bid shall include a notarized power of attorney authorizing the signatory of the bid to commit on behalf of the Bidder. | must meet requirement | not applicable | must meet requirement | not applicable | Document attachment |
| **2.2 Legal Status** | | | | | |
| **i) For the Bidder which is not a Joint-Venture:**<br>The Bidder shall be a supplier or manufacturer of the tendered Goods or contractor legally registered for at least five (5) years. A notarized copy of legal registration certificate shall be submitted along with the Bid. | must meet requirement | not applicable | must meet requirement | not applicable | Document attachment |
| **ii) For the JV Bidder:**<br>(a) Original of joint venture agreement legally binding on all JV partners shall be included in the Bid. The joint venture agreement shall bear the seal of the entity and signatures of personnel authorized by the respective entities forming the joint venture. | must meet requirement | not applicable | must meet requirement | not applicable | |

| | | | | | |
|---|---|---|---|---|---|
| All such authorization documents shall also be included in the Bid. These Authorization document shall be on the original letterhead of the respective entity with stamp/seal of the entity.<br><br>(b) The number of joint venture partners shall not exceed three (3).<br><br>(c) The Partners of the JV shall be a manufacturer or contractor legally registered for at least five (5) years.<br><br>(d) Notarized copies of legal registration certificates for each JV partners shall be submitted along with the Bid. | | | | | |

**2.3 Eligibility**

| Criteria | | Compliance Requirements | | | Documents |
|---|---|---|---|---|---|
| Requirement | Single Entity | Joint Venture | | | Submission Requirements |
| | | All Partners Combined | Each Partner | One Partner | |
| **2.3.1 Nationality** | | | | | |
| Nationality in accordance with ITB 4.2 | must meet requirement | existing or intended JV must meet requirement | must meet requirement | not applicable | Forms ELI – 1, with attachments |
| **2.3.2 Conflict of Interest** | | | | | |
| No conflicts of interest in accordance | must meet requirement | existing or intended JV must meet | must meet requirement | not applicable | Letter of Bid |

| | | | | | |
|---|---|---|---|---|---|
| with ITB Sub-Clause 4.3. | | requirement | | | |
| **2.3.3 Government-owned Entity** | | | | | |
| Bidder required to meet conditions of ITB Sub-Clause 4.5. | must meet requirement | existing or intended JV must meet requirement | must meet requirement | not applicable | Forms ELI – 1, ELI - 2, with attachments |
| **2.3.4 UN Eligibility** | | | | | |
| Not having been declared ineligible based on a United Nations resolution or Employer's country law, as described in ITB Sub-Clause 4.8. | must meet requirement | existing or intended JV must meet requirement | must meet requirement | not applicable | Letter of Bid |
| **2.3.5 Other Eligibility** | | | | | |
| Copy of Firm Registration Certificate | must meet requirement | not applicable | must meet requirement | not applicable | Document attachment |
| Copy of Business Registration Certificate | must meet requirement | not applicable | must meet requirement | not applicable | Document attachment |
| Copy of VAT and PAN Registration certificate ***(only for domestic bidders)*** | must meet requirement | not applicable | must meet requirement | not applicable | Document attachment |
| Copy of Tax Clearance Certificate/Tax return submission evidence for the **F/Y2073/074.*(Only for domestic bidders)*** | must meet requirement | not applicable | must meet requirement | not applicable | Document attachment |

### 2.4 Pending Litigation

| Criteria | | Compliance Requirements | | | Documents |
|---|---|---|---|---|---|
| Requirement | Single Entity | Joint Venture | | | Submission Requirements |
| | | All Partners Combined | Each Partner | One Partner | |
| **2.4.1 Pending Litigation** | | | | | |
| All pending litigation shall be treated as resolved against the Bidder and so shall in total not represent more than 50 percent of the Bidder's net worth. | must meet requirement by itself or as partner to past or existing JV | not applicable | must meet requirement by itself or as partner to past or existing JV | not applicable | Form LIT – 1 |

### 2.5 Financial Situation

| Criteria | | Compliance Requirements | | | Documents |
|---|---|---|---|---|---|
| Requirement | Single Entity | Joint Venture | | | Submission Requirements |
| | | All Partners Combined | Each Partner | One Partner | |
| **2.5.1 Historical Financial Performance** | | | | | |
| Submission of audited balance sheets and income statements, for the last **3(Three)** years to demonstrate the current soundness of the Bidder's financial position. As a minimum, | must meet requirement | not applicable | must meet requirement | Not applicable | Form FIN - 1 with attachments |

| | | | | | |
|---|---|---|---|---|---|
| a Bidder's net worth calculated as the difference between total assets and total liabilities should be positive. | | | | | |
| **2.5.2 Average Annual Construction Turnover** | | | | | |
| Minimum average annual construction turnover of **NRs.79,22,000** calculated as total certified payments received for construction contracts in progress or completed, over the last three consecutive years. | must meet requirement | must meet requirement | must meet 25 % of the requirement | must meet 40 % of the requirement | Form FIN -2 |
| **2.5.3 Financial Resources** | | | | | |
| Using Forms FIN - 3 and FIN - 4 in Section IV (Bidding Forms) the Bidder must demonstrate access to, or availability of, financial resources such as liquid assets, unencumbered real assets, lines of credit, and other financial means, other than any contractual advance payments to meet :<br>❑ The following cash-flow requirement, at least **NRs. 19,80,500.00** | must meet requirement | must meet requirement | must meet 25 % of the requirement | must meet 40 % of the requirement | Form FIN - 3 and Form FIN - 4 |

**2.6 Quality of Goods**

| | | | | | |
|---|---|---|---|---|---|
| i. In case the Bidder is not the manufacturer of | must meet | must meet | Not | Not | Letter of manufacturer's |

| | | | | | |
|---|---|---|---|---|---|
| Goods offered, the Bidder shall submit manufacturer's certificate authorizing the Bidder to supply the manufacturers' Goods. This certificate shall bear details of the Goods that the manufacturer will be supplying under the authorization. The authorization shall be on the manufacturer's original letter head with seal/stamp of the manufacturer. | requirement | requirement | Applicable | Applicable | authorization |
| ii. The manufacturer of Goods to be supplied under this Bid shall hold valid quality ISO certificate as required by the specifications and a copy of ISO certificate shall be included in the Bid. | must meet requirement | must meet requirement | Not Applicable | Not Applicable | Copy of ISO Certificate |
| iii. Type test certificate, if applicable, shall be included in the Bid and shall bear a date that is not earlier than five (5) years from the last date of Bid submission unless otherwise stated in the Technical specifications. The type test certificate shall have been issued by a reputed independent laboratory accredited by International Laboratory Accreditation Corporation (ILAC) or International Accreditation Forum (IAF) or other reputed accreditation agencies. | must meet requirement | must meet requirement | Not Applicable | Not Applicable | Copy of Type test certificate as per requirement |

| | | | | | |
|---|---|---|---|---|---|
| In case the Type test certificate is not as per the requirement, the bidder shall, upon award of the Contract, undertake to carry out the required Type tests from an independent laboratory qualified as above or in the laboratory owned or nominated by the Client / Employer before delivery of the corresponding equipment at no extra cost to the Client / Employer. | | | | | |

**2.7 Experience**

| Criteria | | Compliance Requirements | | | Documents |
|---|---|---|---|---|---|
| Requirement | Single Entity | Joint Venture | | | Submission Requirements |
| | | All Partners Combined | Each Partner | One Partner | |
| **2.7.1 General Construction Experience** | | | | | |
| Experience under construction contracts in the role of contractor, subcontractor, or management contractor for at least the last **5** (**five) years** prior to the applications submission deadline. | must meet requirement | not applicable | must meet requirement | not applicable | Form EXP - 1 |
| **2.7.2 Specific Construction Experience** | | | | | |
| **(a) Contracts of Similar Size and Nature** | | | | | |
| Participation as Prime contractor, management contractor, or subcontractor, in at least **one (1)** contract | must meet requirement | must meet requirement | not applicable | not applicable | Form EXP - 1 |

| | | | | | |
|---|---|---|---|---|---|
| within the last ten (10) years, each with a value of at least **NRs. 63,37,600.00** that have been successfully or are substantially completed and that are similar to the proposed works. The similarity shall be based on the physical size, complexity, methods, technology or other characteristics as described in Section V, Works Requirements. | | | | | |
| **(b)Construction Experience in Key Activities** | | | | | |
| For the above or other contracts executed during the period stipulated in 2.7.2(a) above, a minimum construction experience in the following key activities :<br>a) The bidder shall have successfully executed of Supply, Delivery, Installation/Erection, Testing and Commissioning of at least 4 nos lattice tower with stringing of 1km 33kv line using wolf conductor or higher size within last 10 years as of the last date of bid submission.<br>b) To substantiate the above qualification, the bidder must submit certificate from clients (end-user certificates) for all number of projects specified as above. | must meet all requirement | must meet all requirements | not applicable | not applicable | Form EXP - 2(b) |

## 2.8 Manufacturer's Experience

Manufacturers for the following major items of supply or services must meet the following minimum criteria, herein listed for that item:

| Item No. | Description of Item | Minimum Criteria to be met |
|---|---|---|
| 1. | Tower material ACSR Conductor, earth wire Insulators & Hardware | i) Must have manufacturing experience of at least 5 (Five) years.<br>ii) The Bidder shall submit at least two numbers of end user certificate showing that the Bidder or manufacturer has successfully completed the supply of major items such as tower material ACSR Conductor, Insulators & Hardware and Distribution Transformer at least twice the Bid Quantity of offered items as a main supplier over last five (5) years period ending on the last date of bid submission. Out of supplied quantity, a minimum of half the Bid quantity for each item offered shall have been in operation satisfactorily to the end user for at least one (1) year. The end user certificates shall be on the letterhead of the end user with valid address for correspondence and signed by or on behalf of the end user.<br>iii) Must submit the type test report carried out by independent testing laboratory for the offered item.<br>iv) ISO certificate. |

**2.9Miscellaneous**

| Criteria | | Compliance Requirements | | | Documents |
|---|---|---|---|---|---|
| Requirement | Single Entity | Joint Venture | | | Submission Requirements |
| | | All Partners Combined | Each Partner | One Partner | |
| 1.The Bidder or any of the Joint Venture partners shall not be on the blacklist circulated by Public Procurement Monitoring Office, Government of Nepal or Nepal Electricity Authority. | must meet requirement | not applicable | must meet requirement | not applicable | Form LIT – 1 |

| | | | | | |
|---|---|---|---|---|---|
| 2.**Detail tower structure design required for 33kV line 450 meter river crossing** | must meet requirement | must meet requirement | not applicable | not applicable | |

**2.10 Personnel**

The Bidder must demonstrate that it has the personnel for the key positions that meet the following requirement:

| No. | Position | Academic Qualification *[When position demands]* | Total Work Experience [Years] | Experience in Similar Works [years] |
|---|---|---|---|---|
| 1. | Project Manager | Bachelor Degree | 5 | 3 |
| 2. | Electrical engineer | Bachelor in Electrical Engineering | 3 | 2 |
| 3. | Electrical Supervisor | Diploma in Electrical Engineering | 3 | 2 |

The Bidder shall provide details of the proposed personnel and their experience records in the relevant Information Forms included in Section IV (Bidding Forms).

In case the bidder proposes to consider Personnel that may be spared from committed/ongoing contracts for evaluation, the bidder shall provide details of personnel which will be spared from such committed/ongoing contracts based on the physical progress at the date of bid submission. The details so submitted by the bidder and the physical progress of the ongoing contracts only the spared personnel shall be taken into the consideration during evaluation.

**2.11 Equipment**

The Bidder must demonstrate that it has the key equipment listed hereafter:

| No. | Equipment Type and Characteristics | Min. Requirement |
|---|---|---|
| 1. | Survey equipment (Theodolite or Total station) | 1 set |
| 2. | Draw Vice/ Ratchet Puller | 4 set |
| 3. | 5,000 volt Digital Megger | 2 set |
| 4. | Digital Multi-meters | 2 set |
| 5. | Digital Tongue Tester | 2 set |

| | | |
|---|---|---|
| 6. | Crimping Tools | 4 set |
| 7. | Wire Cutter | 4 set |
| 8. | Rollers, Ropes | 1 Lot |
| 9. | Safety equipment (Safety Belt, Helmet, Gloves, Safety Boots) | As required |

In case the Bidder proposes to consider Equipment that may be spared from committed/ongoing contracts for evaluation, the Bidder shall provide details of Equipment which will be spared from committed / ongoing contracts clearly demonstrating the availability of such equipment with respect to the physical progress of the ongoing contracts on the date of bid submission. Based on the details so submitted by the Bidder, only the spared equipment proposed for the contract shall considered for evaluation.

In case of Equipment to be leased /hired the same procedures as mentioned above shall apply. The Bidder must demonstrate that it has the key equipment listed hereafter.

i**. For the equipment under Bidder's ownership**

| **No.** | Equipment Type and Characteristics | Total Nos. of Equipment under Bidder's Ownership | No. of Equipment engaged/proposed for ongoing/committed contracts | Nos. of Equipment proposed for this contract |
|---|---|---|---|---|
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| 4. | | | | |
| 5. | | | | |
| | | | | |

**ii. For the equipment to be leased/hired**

| **No.** | Equipment Type and Characteristics | Total Nos. of Equipment under the ownership of lease/hire provider | No. of Equipment engaged/committed for other works | Nos. of Equipment proposed to be leased/hired for this contract |
|---|---|---|---|---|
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| 4. | | | | |
| 5. | | | | |
| | | | | |

The Bidder/Lease Owner shall be solely responsible for the data provided. However, this shall not limit the right of employer to verify the authenticity of submitted information.

The Bidder shall provide further details of proposed items of equipment using the relevant Form in

Section IV (Bidding Forms)

# SECTION - IV

## Bidding Forms

This Section contains the forms which are to be completed by the Bidder and submitted as part of its Bid.

# Letter of Bid

The Bidder must accomplish the Letter of Bid in its letterhead clearly showing the Bidder's complete name and address.

Date: .....

Name of the contract: .....

Invitation for Bid No.: .....

To: ……..

We, the undersigned, declare that:

(a) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB) Clause 8;

(b) We offer to execute in conformity with the Bidding Documents the following Works:

(c) The total price of our Bid, excluding any discounts offered in item (d) below is:

(d) The discounts offered and the methodology for their application are:

(e) Our bid shall be valid for a period of ***[insert validity period as specified in ITB 18.1]*** days from thedate fixed for the bid submission deadline in accordance with the Bidding Documents, and it shallremain binding upon us and may be accepted at any time before the expiration of that period;

(f) If our bid is accepted, we commit to obtain a performance security in accordance with the Bidding Document;

(g) Our firm, including any subcontractors or suppliers for any part of the Contract, have nationalities from eligible countries or any countries [insert the nationality of the Bidder, including that of all parties that comprise the Bidder if the Bidder is a consortium or association, and the nationality of each Subcontractor and Supplier];

(h) We, including any subcontractors or suppliers for any part of the contract, do not have any conflict of interest in accordance with ITB 4.3;

(i) We are not participating, as a Bidder or as a subcontractor, in more than one bid in this bidding process in accordance with ITB 4.3, other than alternative offers submitted in accordance with ITB 13;

(j) Our firm, its affiliates or subsidiaries, including any Subcontractors or Suppliers for any part of the contract, has not been declared ineligible, under the Employer's country laws or official regulations or by an act of compliance with a decision of the United Nations Security Council;

(k) We are not a government owned entity/We are a government owned entity but meet the requirements of ITB 4.5.1

(l) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed;

(m) We declare that, we have not been black listed as per ITB 3.4 and noconflict of interest in the proposed procurement proceedings and we have not been punished for an offense relating to the concerned profession or business.

(n) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive; and

(o) If awarded the contract, the person named below shall act as Contractor's Representative:

(p) We agree to permit the Employer/DP or its representative to inspect our accounts and records and other documents relating to the bid submission and to have them audited by auditors appointed by the Employer.

Name: .....

In the capacity of .....

Signed ……...

Duly authorized to sign the Bid for and on behalf of ……

Date ……....

# Bid Security
# Bank Guarantee

Bank's Name, and Address of Issuing Branch or Office
(On Letter head of the 'A' class Commercial Bank)

Beneficiary: ..... name and address of Employer …….

Date: ……...

Bid Security No.: .....

We have been informed that . ……. .[insert name of the Bidder] (hereinafter called "the Bidder")intends to submit its bid (hereinafter called "the Bid") to you for the execution of …….. name of Contract . …… under Invitation for Bids No. …… ("the IFB").

Furthermore, we understand that, according to your conditions, bids must be supported by a bid guarantee. At the request of the Bidder, we……. . name of Bank. …….. hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of . . ……...amount in figures ……. (. …….. .amount in words …….) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder:

(a) has withdrawn or modifies its Bid during the period of bid validity specified by the Bidder in the Form of Bid; or
(b) does not accept the correction of errors in accordance with the Instructions to Bidders (hereinafter "the ITB"); or
(c) having been notified of the acceptance of its Bid by the Employer during the period of bid validity, (i) fails or refuses to execute the Contract Agreement, or (ii) fails or refuses to furnish the performance security, in accordance with the ITB.
(d) is involved in fraud and corruption in accordance with the ITB

This guarantee will remain in force up to and including the date ……number……days after the deadline for submission of Bids as such deadline is stated in the instructions to Bidders or as it may be extended by the Employer, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this guarantee should reach the Bank not letter than the above date.

This Bank guarantee shall not be withdrawn or released merely upon return of the original guarantee by the Bidder unless notified by you for the release of the guarantee.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758.

. . .Bank's seal and authorized signature(s) . . .

**Note:**

The bid security of ……. has been counter guaranteed by the Bank ……..…...…… on ……..... (Applicable for Bid Security of Foreign Banks).

## Manufacturer's Authorization Letter

[This letter of authorization should be on the letterhead of the manufacturer and should be signed by the person with the proper authority to sign documents that are binding on the manufacturer]

Date: _____

IFB No.: _____

To:_____

WHEREAS_____ who are official manufacturers of _____ having factories at _____ do hereby authorize _____ exclusively to submit a Bid in relation to the Invitation for Bids indicated above, the purpose of which is exclusively to provide the following Goods, manufactured by us _____ and to subsequently negotiate and sign the Contract.

We hereby extend our full guarantee and warranty in accordance with Clause 27 of the General Conditions of Contract, with respect to the Goods offered by the above firm in reply to this Invitation for Bids.

Name _____

In the capacity of: _____

Signed _____

Duly authorized to sign the Authorization for and on behalf of _____

Date _____

# Technical Proposal Format

Personnel

Equipment

Site Organization

Method Statement

Mobilization Schedule

Construction Schedule

Others

# Personnel

## Form PER - 1: Proposed Personnel

Bidders should provide the names of suitably qualified personnel to meet the specified requirements for each of the positions listed in Section III (Evaluation and Qualification Criteria). The data on their experience should be supplied using the Form below for each candidate.

| No. | Name | Position* | Academic Qualification | Total Work Experience [Years] | Experience in Similar Works [years] |
|---|---|---|---|---|---|
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |
| 4. | | | | | |
| 5. | | | | | |
| | | | | | |

* As listed in Section III (Evaluation and Qualification Criteria).

## Form PER - 2: Resume of Proposed Personnel

The Bidder shall provide all the information requested below. Fields with asterisk (*) shall be used for evaluation.

| | | |
|---|---|---|
| **Position*** | | |
| **Personal Information** | **Name** | **Date of Birth** |
| | **Professional qualifications** | |
| **Present employment** | **Name of employer** | |
| | **Address of employer** | |
| | **Telephone** | **Contact (manager/personnel officer)** |
| | **Fax** | **E-mail** |
| | **Job title** | **Years with present employer** |

Summarize professional experience over the last twenty years in reverse chronological order. Indicate particular technical and managerial experience relevant to the project.

| **From*** | **To*** | **Company, Project, Position and Relevant Technical and Management Experience*** |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

## Equipment

The Bidder shall provide adequate information to demonstrate clearly that it has the capability to meet the requirements for the key equipment listed in Section III (Evaluation and Qualification Criteria). A separate Form shall be prepared for each item of equipment listed, or for alternative equipment proposed by the Bidder. The Bidder shall provide all the information requested below, to the extent possible. Fields with asterisk (*) shall be used for evaluation.

**(i) For the equipment under Bidder's ownership**

| No. | Equipment Type and Characteristics | Total Nos. of Equipment under Bidder's Ownership | No. of Equipment engaged/proposed for ongoing/committed contracts | Nos. of Equipment proposed for this contract |
|---|---|---|---|---|
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| 4. | | | | |
| 5. | | | | |
| | | | | |

**(ii) For the Equipment to be leased/hired**

| No. | Equipment Type and Characteristics | Total Nos. of Equipment under the ownership of lease/hire provider | No. of Equipment engaged/committed for other works | Nos. of Equipment proposed to be leased/hired for this contract |
|---|---|---|---|---|
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| 4. | | | | |
| 5. | | | | |
| | | | | |

| | | |
|---|---|---|
| **Type of Equipment*** | | |
| **Equipment Information** | **Name of manufacturer** | **Model and power rating** |
| | **Capacity*** | **Year of manufacture** |
| **Current Status** | **Current location** | |
| | **Details of current commitments** | |
| **Source** | **Indicate source of the equipment**<br>**☐ Owned ☐ Rented ☐ Leased ☐ Specially manufactured** | |

**The following information shall be provided only for equipment not owned by the Bidder.**

| | | |
|---|---|---|
| **Owner** | **Name of owner** | |
| | **Address of owner** | |
| | **Telephone** | **Contact name and title** |
| | **Fax** | **email** |
| **Agreements** | **Details of rental / lease / manufacture agreements specific to the project** | |

# Bidder's Information and Qualification Format

Site Organization

Method Statement

Mobilization Schedule

Construction Schedule

Others

# Bidder's Qualification

To establish its qualifications to perform the contract in accordance with Section III (Evaluation and Qualification Criteria) the Bidder shall provide the information requested in the corresponding Information Sheets included hereunder.

## Form ELI - 1: Bidder's Information Sheet

| Bidder's Information | |
|---|---|
| **Bidder's legal name** | |
| **In case of JV, legal name of each partner** | |
| **Bidder's country of constitution** | |
| **Bidder's year of constitution** | |
| **Bidder's legal address in country of constitution** | |
| **Bidder's authorized representative (name, address, telephone numbers, fax numbers, e-mail address)** | |
| **Attached are copies of the following original documents.** | |
| 1. In case of single entity, articles of incorporation or constitution of the legal entity named above, in accordance with ITB 4.1 and 4.2.<br>2. Authorization to represent the firm or JV named in above, in accordance with ITB 20.2.<br>3. In case of JV, letter of intent to form JV or JV agreement, in accordance with ITB 4.1.<br>4. In case of a government-owned entity, any additional documents not covered under 1 above required to comply with ITB 4.5. | |

**Form ELI - 2: JV Information Sheet**

Each member of a JV must fill in this form

| **JV / Specialist Subcontractor Information** | |
|---|---|
| **Bidder's legal name** | |
| **JV Partner's or Subcontractor's legal name** | |
| **JV Partner's or Subcontractor's country of constitution** | |
| **JV Partner's or Subcontractor's year of constitution** | |
| **JV Partner's or Subcontractor's legal address in country of constitution** | |
| **JV Partner's or Subcontractor's authorized representative information (name, address, telephone numbers, fax numbers, e-mail address)** | |
| **Attached are copies of the following original documents.** | |
| 1. Articles of incorporation or constitution of the legal entity named above, in accordance with ITB 4.1 and 4.2.<br>2. Authorization to represent the firm named above, in accordance with ITB 20.2.<br>3. In the case of government-owned entity, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITB 4.5. | |

## Form LIT - 1: Pending Litigation

Each member of a JV must fill in this form

| Pending Litigation | | | |
|---|---|---|---|
| ☐ No pending litigation in accordance with Criteria 2.4.1 of Section III (Evaluation and Qualification Criteria)<br>☐ Pending litigation in accordance with Criteria 2.4.1 of Section III (Evaluation and Qualification Criteria) | | | |
| **Year** | **Matter in Dispute** | **Value of Pending Claim in NRS** | **Value of Pending Claim as a Percentage on Net Worth** |
| | | | |
| | | | |
| | | | |

## Form FIN - 1: Financial Situation

Each Bidder or member of a JV must fill in this form

| Financial Data for Previous 3 Years [in NRS] | | |
|---|---|---|
| **Year 1 :** | **Year 2 :** | **Year 3 :** |

**Information from Balance Sheet**

| | | | |
|---|---|---|---|
| **Total Assets** | | | |
| **Total Liabilities** | | | |
| **Net Worth** | | | |
| **Current Assets** | | | |
| **Current Liabilities** | | | |

**Information from Income Statement**

| | | | |
|---|---|---|---|
| **Total Revenues** | | | |
| **Profit Before Tax** | | | |
| **Profit After Tax** | | | |

- Attached are copies of financial statements (balance sheets including all related notes, and income statements) for the last three or above years, as indicated above, complying with the following conditions.
- All such documents reflect the financial situation of the Bidder or partner to a JV, and not sister or parent companies.
- Historic financial statements must be audited by a certified auditor.
- Historic financial statements must be complete, including all notes to the financial statements.
- Historic financial statements must correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).

## Form FIN - 2: Average Annual Construction Turnover

Each Bidder or member of a JV must fill in this form

The information supplied should be the Annual Turnover of the Bidder or each member of a JV in terms of the amounts billed to clients for each year for work in progress or completed to NRs at the end of the period reported.

| **Annual Turnover Data for the Last 3Years** | |
|---|---|
| **Year** | **Amount Currency** |
| | |
| | |
| | |

- **Average Annual Turnover**

## Form FIN - 3: Financial Resources

Specify proposed sources of financing, such as liquid assets, unencumbered real assets, lines of credit, and other financial means, net of current commitments, available to meet the total construction cash flow demands of the subject contract or contracts as indicated in Section III (Evaluation and Qualification Criteria).

| **Financial Resources** | | |
|---|---|---|
| **No.** | **Source of financing** | **Amount (in NRS)** |
| **1** | | |
| **2** | | |
| **3** | | |
| | | |

**Note :**

*The letter from the Bank must be unconditional.*

## Form FIN- 4: Current Contract Commitments / Works in Progress

Bidders and each partner to a JV should provide information on their current commitments on all contracts that have been awarded, or for which aletterof intent or acceptance has been received, or for contracts approaching completion, but for which an unqualified, full completion certificate has yettobeissued.

| Current Contract Commitments | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **No.** | **Name of Contract** | **Name of the Contractor/s** | **Employer's Contact Address, Tel, Fax** | **Contract Amount** | **Contract Date** | **Contract Duration** | **Value of outstanding works [NRS]** | **Estimated Completion Date** | **Average Monthly Invoicing [NRS/month]** |
| **1** | | | | | | | | | |
| **2** | | | | | | | | | |
| **3** | | | | | | | | | |
| **4** | | | | | | | | | |
| **5** | | | | | | | | | |
| **6** | | | | | | | | | |
| | | | | | | | | | |

## Form EXP - 1: General Project Experience

Each Bidder or member of a JV must fill in this form.

| General Construction Experience | | | | |
|---|---|---|---|---|
| **Starting Month Year** | **Ending Month Year** | **Year** | **Contract Identification and Name and Address of Employer Brief Description of the Works Executed by the Bidder** | **Role of Bidder** |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

## Form EXP - 2(a): Specific Project Experience

Fill up one (1) form per contract.

| **Contract of Similar Size and Nature** | | | |
|---|---|---|---|
| **Contract No…… of…..** | **Contract Identification** | | |
| **Award Date** | | **Completion Date** | |
| **Role in Contract** | ☐ **Contractor** | ☐ **Management Contractor** | ☐ **Subcontractor** |
| **Total Contract Amount** | ☐ **NRS ……..** | | |
| **If Partner in a JV or subcontractor, specify participation of total contract amount** | **Percent of Total** | **Amount** | |
| **Employer's Name**<br>**Address**<br>**Telephone/Fax Number**<br>**E-mail** | | | |
| **Description of the similarity in accordance with Criteria 2.7.2 (a) of Section III** | | | |
| **Note :**<br>***The Employer should insert here contract size, complexity, methods, technology, or other characteristics as described in Section V (Work Requirements) against which the bidder demonstrates similarity in the box on the right-hand-side.*** | | | |

## Form EXP - 2(b): Specific Project Experience in Key Activities

Fill up one (1) form per contract.

| **Contract of Similar Size and Nature** | | | |
|---|---|---|---|
| **Contract No…… of……..** | **Contract Identification** | | |
| **Award Date** | | **Completion Date** | |
| **Role in Contract** | ☐ **Contractor** | ☐ **Management Contractor** | ☐ **Subcontractor** |
| **Total Contract Amount** | ☐ **NRS ……..** | | |
| **If Partner in a JV or subcontractor, specify participation of total contract amount** | **Percent of Total** | **Amount** | |
| **Employer's Name**<br>**Address**<br>**Telephone/Fax**<br>**Number**<br>**E-mail** | | | |
| **Description of the similarity in accordance with Criteria 2.7.2 (a) of Section III** | | | |
| **Note :**<br>*The Employer should insert here production rate(s) for the key activity (activities) subject contract against which the bidder demonstrates in the box on the right-hand-side production rates achieved by him on previous contracts.* | | | |

# Part - III

# CONDITIONS OF CONTRACT AND CONTRACT FORMS

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# SECTION - VII
# General Conditions of Contract

# General Conditions of Contract

| A. General | |
|---|---|
| **1. Definitions** | 1.1 Boldface type is used to identify defined terms.<br>(a) The **Accepted Contract Amount** means the amount accepted in the Letter of Acceptance for the execution and completion of the Works and the remedying of any defects.<br>(b) **The Activity Schedule** is a schedule of the activities comprising the construction, installation, testing, and commissioning of the Works in a lump sum contract. It includes a lump sum price for each activity, which is used for valuations and for assessing the effects of Variations and Compensation Events.<br>(c) The **Adjudicator** is the person appointed jointly by the Employer and the Contractor to resolve disputes in the first instance, as provided for in GCC 23.2 hereunder.<br>(d) **Bill of Quantities** means the priced and completed Bill of Quantities forming part of the Bid.<br>(e) **Compensation Events** are those defined in GCC 42 hereunder.<br>(f) The **Completion Date** is the date of completion of the Works as certified by the Project Manager, in accordance with GCC 53.1.<br>(g) The **Contract** is the Contract between the Employer and the Contractor to execute, complete, and maintain the Works.<br>It consists of the documents listed in GCC 2.3 below.<br>(h) The **Contractor** is the party whose Bid to carry out the Works has been accepted by the Employer.<br>(i) The **Contractor's Bid** is the completed bidding document submitted by the Contractor to the Employer.<br>(j) The **Contract Price** is the Accepted Contract Amount stated in the Letter of Acceptance and thereafter as adjusted |

in accordance with the Contract.

(k) **Days** are calendar days; months are calendar-months.

(l) **Day works** are varied work inputs subject to payment on a time basis for the Contractor's employees and Equipment, in addition to payments for associated Materials and Plant.

(m) A **Defect** is any part of the Works not completed in accordance with the Contract.

(n) The **Defects Liability Certificate** is the certificate issued by Project Manager upon correction of defects by the Contractor.

(o) The **Defects Liability Period** is the period calculated fromthe Completion Date where the Contractor remains responsible for remedying defects.

(p) **Drawings** include calculations and other information provided or approved by the Project Manager for the execution of the Contract.

(q) The **Employer** is the party who employs the Contractor to carry out the Works, as specified in the **SCC.**

(r) **Equipment** is the Contractor's machinery and vehicles brought temporarily to the Site to construct the Works.

(s) **Force Majeure** means an exceptional event or circumstance: which is beyond a Party's control; which such Party could not reasonably have provided against before entering into the Contract; which, having arisen, such Party could not reasonably have avoided or overcome; and, which is not substantially attributable to the other Party.

(t) The **Initial Contract Price** is the Contract Price listed in the Employer's Letter of Acceptance.

(u) The **Intended Completion Date** is the date on which it is intended that the Contractor shall complete the Works. The Intended Completion Date is specified in the **SCC**. The Intended Completion Date may be revised only by the Project Manager by issuing an extension of time or an acceleration order.

(v) **Letter of Intent** is the letter of the Employer expressing

his intention to award the contract.

(w) **Letter of Acceptance** means the formal acceptance by the Employer of the Bid and denotes the formation of the contract at the date of acceptance.

(x) **Materials** are all supplies, including consumables, used by the Contractor for incorporation in the Works.

(y) **"Party"**means the Employer or the Contractor, as the context requires.

(z) **SCC** means Special Conditions of Contract

(aa) **Plant** is any integral part of the Works that shall have a mechanical, electrical, chemical, or biological function.

(bb) The **Project Manager** is the person named in the **SCC** (or any other competent person appointed by the employer and notified to the Contractor, to act in replacement of the Project Manager) who is responsible for supervising the execution of the Works and administering the Contract.

(cc) **Retention Money**means the aggregate of all monies retained by the Employer pursuant to GCC 46.1.

(dd) The **Site** is the area defined as such in the **SCC**.

(ee) **Site Investigation Reports** are those that were included in the bidding documents and are factual and interpretativereports about the surface and subsurface conditions at theSite.

(ff) **Specification** means the Specification of the Works included in the Contract and any modification or addition made or approved by the Project Manager.

(gg) The **Start Date** is given in the **SCC.** It is the latest date when the Contractor shall commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.

(hh) A **Subcontractor** is a person or corporate body who has a Contract with the Contractor to carry out a part of the work in the Contract, which includes work on the Site.

(ii) **Temporary Works** are works designed, constructed, installed, and removed by the Contractor that are

| | |
|---|---|
| | needed for construction or installation of the Works.<br>(jj) A **Variation** is an instruction given by the Project Manager which varies the Works.<br>(kk) The **Works** are what the Contract requires the Contractor to construct, install, and turn over to the Employer, as defined in the **SCC.** |
| **2. Interpretation** | 2.1 In interpreting these GCC, singular also means plural, male also means female or neuter, and the other way around. Headings have no significance. Words have their normal meaning under the language of the Contract unless specifically defined. The Project Manager shall provide instructions clarifying queries about these GCC.<br>2.2 If sectional completion is specified in the **SCC,** references in the GCC to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).<br>2.3 The documents forming the Contract shall be interpreted in the following order of priority:<br>(a) Contract Agreement,<br>(b) Letter of Acceptance,<br>(c) Contractor's Bid,<br>(d) Special Conditions of Contract,<br>(e) General Conditions of Contract,<br>(f) Specifications,<br>(g) Drawings,<br>(h) Bill of Quantities (or Schedules of Prices for lump sum contracts), and<br>(i) Any other document listed in the **SCC** as forming part of the Contract. |
| **3. Language and Law** | 3.1 The language of the Contract and the law governing the Contract are stated in the **SCC.** |
| **4. Project Manager's Decisions** | 4.1 Except where otherwise specifically stated, the Project Manager shall decide contractual matters between the Employer and the Contractor in the role representing the |

| | |
|---|---|
| | Employer. |
| **5. Delegation** | 5.1 The Project Manager may delegate any of his duties and responsibilities to other people, except to the Adjudicator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor. |
| **6. Communications** | 6.1 Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is delivered. |
| **7. Subcontracting** | 7.1 The Contractor may subcontract with the approval of the Project Manager, but may not assign the Contract without the approval of the Employer in writing. Subcontracting shall not alter the Contractor's obligations. |
| **8. Other Contractors** | 8.1 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Employer between the dates given in the Schedule of Other Contractors, as referred to in the SCC. The Contractor shall also provide facilities and services for them as described in the Schedule. The Employer may modify the Schedule of Other Contractors, and shall notify the Contractor of any such modification. |
| **9. Personnel and Equipment** | 9.1 The Contractor shall employ the key personnel and use the equipment identified in its Bid to carry out the Works, or other personnel and equipment approved by the Project Manager. The Project Manager shall approve any proposed replacement of key personnel and equipment only if their relevant qualifications or characteristics are substantially equal to or better than those proposed in the Bid.<br>9.2 If the Project Manager asks the Contractor to remove a person who is a member of the Contractor's staff or work force, stating the reasons, the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract. |
| **10. Employer's and Contractor's Risk** | 10.1 The Employer carries the risks which this Contract states are Employer's risks, and the Contractor carries the risks which this Contract states are Contractor's risks. |

| | |
|---|---|
| **11. Employer's Risks** | 11.1 From the Start Date until the Defects Liability Certificate has been issued, the following are Employer's risks:<br>(a) The risk of personal injury, death, or loss of or damage<br>to property (excluding the Works, Plant, Materials, and Equipment), which are due to<br>(i) use or occupation of the Site by the Works or for the purpose of the Works, which is the unavoidable result of the Works or<br>(ii) negligence, breach of statutory duty, or interference with any legal right by the Employer or by any person employed by or contracted to him except the Contractor.<br>(b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Employer or in the Employer's design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.<br>11.2 From the Completion Date until the Defects Liability Certificate has been issued, the risk of loss of or damage to the Works, Plant, and Materials is an Employer's risk except loss or damage due to<br>(a) a Defect which existed on the Completion Date,<br>(b) an event occurring before the Completion Date, which was not itself an Employer's risk, or<br>(c) the activities of the Contractor on the Site after the Completion Date. |
| **12. Contractor's Risks** | 12.1 From the Starting Date until the Defects Liability Certificate has been issued, the risks of personal injury, death, and loss of or damage to property (including, without limitation, the Works, Plant, Materials, and Equipment) which are not Employer's risks are Contractor's risks. |
| **13. Insurance** | 13.1 The Contractor shall provide insurance in the joint names of the Employer and the Contractor from the Start Date to the end of the Defects Liability Period, in the |

| | |
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| | amounts and deductibles stated in the **SCC** for the following events which are due to the Contractor's risks:<br>(a) loss of or damage to the Works, Plant, and Materials;<br>(b) loss of or damage to Equipment;<br>(c) loss of or damage to property (except the Works, Plant, Materials, and Equipment) in connection with the Contract; and<br>(d) Personal injury or death. |
| | 13.2 Policies and certificates for insurance shall be delivered by the Contractor to the Project Manager for the Project Manager's approval before the Start Date. All such insurance shall provide for compensation to be payable in the proportions of Nepalese Rupees required to rectify the loss or damage incurred.<br>13.3 If the Contractor does not provide any of the policies and certificates required, the Employer may affect the insurance which the Contractor should have provided and recover the premiums the Employer has paid from payments otherwise due to the Contractor or, if no payment is due, the payment of the premiums shall be a debt due.<br>13.4 Alterations to the terms of insurance shall not be made without the approval of the Project Manager.<br>13.5 Both parties shall comply with any conditions of the insurance policies. |
| **14. Site Investigation Reports** | 14.1 The Contractor, in preparing the Bid, shall rely on any Site Investigation Reports referred to in the **SCC,** supplemented by any information available to the Bidder. |
| **15. Contractor to Construct the Works** | 15.1 The Contractor shall construct and install the Works in accordance with the Specifications and Drawings. |
| **16. The Works to Be Completed within intended Completion Date** | 16.1 The Contractor may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the Contractor, as updated with the approval of the Project |

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| | Manager, and complete them within the Completion Date. |
| **17. Design by contractor and Approval by the Project Manager** | 17.1 The contractor shall be responsible for the design of permanent works as specified in SCC.<br>17.2 Contractor shall be responsible for design of the Temporary Works. The Contractor shall submit Specifications and Drawings showing the proposed Temporary Works to the Project Manager, for his approval.<br>17.3 All Drawings prepared by the Contractor for the execution of the temporary or permanent Works, shall be subject to prior approval by the Project Manager before their use.<br>17.4 The Project Manager's approval shall not alter the Contractor's responsibility for design of temporary works. |
| **18. Safety, Security and Protection of the Environment** | 18.1 The Contractor shall, throughout the execution, and completion of the works and remedying of any defects therein:<br>a. Have full regard for the safety of all persons entitled to be upon the site and keep the site (so as the same is under his control) and the works (so far as the same are not completed or occupied by the Employer) in an orderly state appropriate to the avoidance of danger to such persons.<br>b. Provide and maintain at his own cost all lights, guards, fencing, warning signs and watching, when necessary or required by the Project Manager or by any duly constituted authority, for the protection of the Works of for the safety and convenience of the public or others.<br>c. Take all reasonable steps to protect the environment on and off the site and to avoid damage or nuisance to persons or to property of the public or others resulting from pollution, noise or other causes arising as a consequence of his methods of operation.<br>d. Ensure that any cut or fill slopes are planted in grass or other plant cover as soon as possible to protect them from erosion.<br>e. Any spoil or material removed from drains shall be disposed off to designated stable tipping areas as directed by the Project Manager. |

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| | f. Shall not use fuel wood as a means of heating during the processing or preparation of any materials forming part of the works.<br>g. The Project Manager shall have the power to disallow any working practice or activity of the Contractor or direct that such practices or activities be modified should the Project Manager consider, on the advice of the relevant Government Departments, that the practices or activities will be harmful to wildlife.<br>h. Provide on the Site such lifesaving apparatus as may be appropriate and an adequate and easily accessible first aid outfit or such outfits as may be required by any government ordinance, factory act, etc., subsequently published and amended from time to time. |
| **19. Discoveries** | 19.1 Anything of historical or other interest or of significant value unexpectedly discovered on the Site shall be the property of the Employer. The Contractor shall notify the Project Manager of such discoveries and carry out the Project Manager's instructions for dealing with them. |
| **20. Possession of the Site** | 20.1 The Employer shall give possession of all parts of the Site to the Contractor. If possession of a part is not given by the date stated in the SCC, the Employer shall be deemed to have delayed the start of the relevant activities, and this shall be a Compensation Event. |
| **21. Access to the Site** | 21.1 The Contractor shall allow the Project Manager and any person authorized by the Project Manager access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out. |
| **22. Instructions, Inspections and Audits** | 22.1 The Contractor shall carry out all instructions of the Project Manager which comply with the applicable laws where the Site is located.<br>22.2 The Contractor shall permit the GoN/DP and/or persons appointed by the GoN/DP to inspect the Site and/or the accounts and records of the Contractor and its sub-contractors relating to the performance of the Contract, and |

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| | to have such accounts and records audited by auditors appointed by the GoN/DP if required by the GoN/DP. The Contractor's attention is drawn to Sub-Clause 58.2 which provides, inter alia, that acts intended to<br>materially impede the exercise of the GoN's/DP's inspection and audit rights provided for under this Sub-Clause constitute a obstructive practice subject to contract termination. |
| **23. Dispute Settlement** | 23.1 The Employer and the Contractor shall attempt to settle amicably by direct negotiation any disagreement or dispute arising between them under or in connection with the Contract.<br>23.2Any dispute between the Parties as to matters arising pursuant to this Contract which cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be referred to Arbitration within 30 days after the expiration of amicable settlement period. |
| | Not Applicable. |
| **25. Procedures for Disputes** | 25.1 In case of arbitration, the arbitration shall be conducted in accordance with the arbitration procedures published by the Nepal Council of Arbitration (NEPCA) at the place given in the **SCC.** |
| B. Time Control | |
| **26. Program** | 26.1 Within the time stated in the SCC, after the date of the Letter of Acceptance, the Contractor shall submit to the Project Manager for approval a Program showing the general methods, arrangements, order, and timing for all the activities in the Works. In the case of a lump sum contract, the activities in the Program shall be consistent with those in the Activity Schedule.<br>26.2 An update of the Program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities. |

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| | 26.3 The Contractor shall submit to the Project Manager for approval an updated Program at intervals no longer than the period stated in the SCC. If the Contractor does not submit an updated Program within this period, the Project Manager may withhold the amount stated in the SCC from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program has been submitted. In the case of a lump sum contract, the Contractor shall Provide an updated Activity Schedule within 15 days of being instructed to by the Project Manager.<br><br>26.4 The Project Manager's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Project Manager again at any time. A revised Program shall show the effect of Variations and Compensation Events. |
| **27. Extension of the Intended Completion Date** | 27.1The Project Manager shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining work, which would cause the Contractor to incur additional cost.<br><br>27.2 The Project Manager shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Project Manager for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information at least 7 days prior to the intended completion date. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date. |
| **28. Acceleration** | 28.1 When the Employer wants the Contractor to finish before the Intended Completion Date, the Project Manager shall obtain priced proposals for achieving the necessary acceleration from the Contractor. If the Employer accepts these proposals, the Intended |

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| | Completion Date shall be adjusted accordingly and confirmed by both the Employer and the Contractor.<br>28.2 If the Contractor's priced proposals for acceleration are accepted by the Employer, they are incorporated in the Contract Price and treated as a Variation. |
| **29. Delays Ordered by the Project Manager** | 29.1 The Project Manager may instruct the Contractor to delay the start or progress of any activity within the Works. |
| **30. Management Meetings** | 30.1 Either the Project Manager or the Contractor may require the other to attend a management meeting. The business of a management meeting shall be to review the plans for remaining work and to deal with matters raised in accordance with the early warning procedure.<br>30.2 The Project Manager shall record the business of management meetings and provide copies of the record to those attending the meeting and to the Employer. The responsibility of the parties for actions to be taken shall be decided by the Project Manager either at the management meeting or after the management meeting and stated in writing to all who attended the meeting. |
| **31. Early Warning** | 31.1 The Contractor shall warn the Project Manager at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the work, increase the Contract Price, or delay the execution of the Works. The Project Manager may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.<br>31.2 The Contractor shall cooperate with the Project Manager in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the work and in carrying out any resulting instruction of the Project Manager. |

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| **C. Quality Control** | |
| **32. Identifying Defects** | 32.1 The Project Manager shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Project Manager may instruct the Contractor to search for a Defect and to uncover and test any work that the Project Manager considers may have a Defect. |
| **33. Tests** | 33.1 If the Project Manager instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect, the test shall be a Compensation Event. |
| **34. Correction of Defects** | 34.1 The Project Manager shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion, and is defined in the **SCC**. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.<br>34.2 Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Project Manager's notice. |
| **35. Uncorrected Defects** | 35.1 If the Contractor has not corrected a Defect within the time specified in the Project Manager's notice, the Project Manager shall assess the cost of having the Defect corrected, and the Contractor shall pay this amount. |
| **D. Cost Control** | |
| **36. Contract Price** | 36.1 In the case of a Unit Rate contract, the Bill of Quantities shall contain priced items for the Works to be performed by the Contractor. The Bill of Quantities is used to calculate the Contract Price. The Contractor will be paid for the quantity of the work accomplished at the rate in the Bill of Quantities for each item.<br>36.2 In the case of a lump sum contract, the Activity Schedule |

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| | shall contain the priced activities for the Works to be performed by the Contractor. The Activity Schedule is used to monitor and control the performance of activities on which basis the Contractor will be paid. If payment for Materials on Site shall be made separately, the Contractor shall show delivery of Materials to the Site separately on the Activity Schedule. |
| **37. Changes in the Contract Price** | 37.1 In the case of an Unit Rate contract:<br>(a) If the final quantity of the work done differs from the quantity in the Bill of Quantities for the particular item by more than 25 percent, provided the change exceeds 2 percent of the Initial Contract Price, the Project Manager shall adjust the rate to allow for the change.<br>(b) The Project Manager shall not adjust rates from changes in quantities if thereby the Initial Contract Price is exceeded by more than 15 percent, except with the prior approval of the Employer.<br>(c) If requested by the Project Manager, the Contractor shall provide the Project Manager with a detailed cost breakdown of any rate in the Bill of Quantities.<br>37.2 In the case of a lump sum contract, the Activity Schedule shall be amended by the Contractor to accommodate changes of Program or method of working made at the Contractor's own discretion. Prices in the Activity Schedule shall not be altered when the Contractor makes such changes to the Activity Schedule. |
| **38. Variations** | 38.1 All Variations shall be included in updated Programs, and, in the case of a lump sum contract, also in the Activity Schedule, produced by the Contractor.<br>38.2 The Contractor shall provide the Project Manager with a quotation for carrying out the Variation when requested to do so by the Project Manager. The Project Manager shall assess the quotation, which shall be given within seven (7) days of the request or within any longer period stated by the Project Manager and before the Variation is ordered. |

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| | 38.3 If the Contractor's quotation is unreasonable, the Project Manager may order the Variation and make a change to the Contract Price, which shall be based on the Project Manager's own forecast of the effects of the Variation on the Contractor's costs.<br><br>38.4 If the Project Manager decides that the urgency of varying the work would prevent a quotation being given and considered without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event.<br><br>38.5 The Contractor shall not be entitled to additional payment for costs that could have been avoided by giving early warning.<br><br>38.6 In the case of an Unit Rate contract, if the work in the Variation corresponds to an item description in the Bill of Quantities and if, in the opinion of the Project Manager, the quantity of work above the limit stated in GCC 37.1 or the timing of its execution do not cause the cost per unit of quantity to change, the rate in the Bill of Quantities shall be used to calculate the value of the Variation. If the cost per unit of quantity changes, or if the nature or timing of the work in the Variation does not correspond with items in the Bill of Quantities, the quotation by the Contractor shall be in the form of new rates for the relevant items of work. |
| **39. Cash Flow Forecasts** | 39.1 When the Program, or, in the case of a lump sum contract, the Activity Schedule, is updated, the Contractor shall provide the Project Manager with an updated cash flow forecast. |

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| **40. Payment Certificates** | 40.1 The Contractor shall submit to the Project Manager monthly statements of the estimated value of the work executed less the cumulative amount certified previously.<br>40.2 The Project Manager shall check the Contractor's monthly statement and certify the amount to be paid to the Contractor within 30 days of submission by contractor.<br>40.3 The value of work executed shall be determined by the Project Manager.<br>40.4 The value of work executed shall comprise:<br>(a) In the case of an Unit Rate contract, the value of the quantities of work in the Bill of Quantities that have been completed; or<br>(b) In the case of a lump sum contract, the value of work executed shall comprise the value of completed activities in the Activity Schedule.<br>40.5 The value of work executed shall include the valuation of Variations and Compensation Events.<br>40.6 The Project Manager may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information. |
| **41. Payments** | 41.1 Payments shall be adjusted for deductions for advance payments and retention. The Employer shall pay the Contractor the amounts certified by the Project Manager within 30 days of the date of each certificate. If the Employer makes a late payment, the Contractor shall be paid interest as indicated in the **SCC** on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made up to the date when the late payment is made.<br>41.2 If an amount certified is increased in a later certificate or as a result of an award by the Adjudicator or an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this |

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| | clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.<br>41.3 Items of the Works for which no rate or price has been entered in BOQ shall not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract. |
| **42. Compensation Events** | 42.1 The following shall be Compensation Events:<br>(a) The Employer does not give access to a part of the Site by the Site Possession Date pursuant to GCC 20.1.<br>(b) The Employer modifies the Schedule of Other Contractors in a way that affects the work of the Contractor under the Contract.<br>(c) The Project Manager orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time.<br>(d) The Project Manager instructs the Contractor to uncover or to carry out additional tests upon work, which is then found to have no Defects.<br>(e) The Project Manager unreasonably does not approve a subcontract to be let.<br>(f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to bidders (including the Site Investigation Reports), from information available publicly and from a visual inspection of the Site.<br>(g) The Project Manager gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.<br>(h) Other contractors, public authorities, utilities, or the Employer does not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Contractor. |

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| | (i) The advance payment is delayed.<br>(j) The effects on the Contractor of any of the Employer's Risks.<br>(k) The Project Manager unreasonably delays issuing a Certificate of Completion.<br>(l) Force majeure events as determined by the Project Manager.<br><br>42.2 If a Compensation Event would cause additional cost or would prevent the work being completed before the Intended Completion Date, the Contract Price shall be increased and/or the Intended Completion Date shall be extended. The Project Manager shall decide whether and by how much the Contract Price shall be increased and whether and by how much the Intended Completion Date shall be extended.<br><br>42.3 As soon as information demonstrating effect of each Compensation Event upon the Contractor's forecast cost has been provided by the Contractor, it shall be assessed by the Project Manager, and the Contract Price shall be adjusted accordingly. If the Contractor's forecast is deemed unreasonable, the Project Manager shall adjust the Contract Price based on the Project Manager's own forecast. The Project Manager shall assume that the Contractor shall react competently and promptly to the event.<br><br>42.4 The Contractor shall not be entitled to compensation to the extent that the Employer's interests are adversely affected by the Contractor's not having given early warning or not having cooperated with the Project Manager. |
| **43. Tax** | 43.1 The Project Manager shall adjust the Contract Price if taxes, duties, and other levies are changed between the date 30 days before the submission of bids for the Contract and the date of the last Completion certificate. The adjustment shall be the change in the amount of tax payable by the Contractor, provided such changes are not already reflected in the Contract Price or are a result |

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| | of GCC 45. |
| **44. Currency** | 44.1 The currency of Contracts shall be Nepalese Rupees. |
| **45. Price Adjustment** | 45.1 Prices shall be adjusted for fluctuations in the cost of inputs only if provided for in the **SCC.** If so provided, the amounts certified in each payment certificate, before deducting for Advance Payment, shall be adjusted by applying the respective price adjustment factor to the payment amounts due.<br>45.2 **Adjustment Formulate[1]:** "The adjustment to the Interim Payment Certificates in respect of changes in cost and legislation shall be determined from separate formulae for each of the types of construction work to be performed and Plant to be supplied. The formulae will be of the following general type:<br>$$pn = A + b\frac{Ln}{Lo} + c\frac{Mn}{Mo} + d\frac{En}{Eo} + etc.$$<br>Where:<br>**pn** is a price adjustment factor to be applied to the amount for the payment of the work carried out in the subject month, determined in accordance with Sub-Clause 41;<br>**A** is a constant, specified in the Bidding Forms- Table of Price Adjustment data, representing the nonadjustable portion in contractual payments;[2]<br>**b, c, d,** etc., coefficients representing the estimated proportion of each cost element (labor, materials, equipment usage, etc.) in the Works or sections thereof, net of Provisional Sums, as specified in the SCC;<br>**Ln, Mn, En,** etc., are the current cost indices or reference prices of the cost elements for month "n," determined |

[1] For complex Works involving several types of construction work with different inputs, a family of Formulae will be necessary. The various items of Day work may also require different formulae, depending on the nature and source of the inputs.

[2] Insert a figure for factor A only where there is a part of the Contractors' expenditures which will not be subject to fluctuation in cost or to compensate for the unreliability of some indices. A should normally be 0.15. The sum of A, b, c, d, etc., should be one.

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| | pursuant to Sub-Clause 45.4, applicable to each cost element; and<br><br>**Lo, Mo, Eo,** etc., are the base cost indices or reference prices corresponding to the above cost elements at the date specified in Sub-Clause 45.4 |
| | 45.3 **Sources of Indices and Weightings:** The sources of indices shall be those listed in the Bidding Forms- Table of Price Adjustment data, as approved by the Project Manager and stated in SCC. Indices shall be appropriate for their purpose and shall relate to the Contractor's proposed source of supply of inputs on the basis of which his Contract shall have been computed. As the proposed basis for price adjustment, the Contractor shall have submitted with his bid the tabulation of Weightings and Source of Indices in the Bidding Forms, which shall be subject to approval by the Project Manager.<br><br>45.4 **Base, Current and Provisional Indices:** The base cost indices or prices shall be those prevailing on the day 30 days prior to the latest date for submission of bids. Current indices or prices shall be those prevailing on the day 30 days prior to the last day of the period to which a particular Interim Payment Certificate is related. If at any time the current indices are not available, provisional indices as determined by the Project Manager will be used, subject to subsequent correction of the amounts paid to the Contractor when the current indices become available.<br><br>45.5**Weightings:** The weightings for each of the factors of cost given in the Bidding Forms shall be adjusted if, in the opinion of the Project Manager, they have been rendered unreasonable, unbalanced or inapplicable as a result of varied or additional work already executed or instructed under Clause 38 or for any other reason.<br><br>45.6**Subsequent Legislation:** If, after the date 30 days prior to the latest date for submission of bids for the Contract, there occur changes to any National Statute, Ordinance, Decree, or other Law or any regulation or by-law of any local or other duly constituted authority, or the |

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| | introduction of any such Statute, Ordinance, Decree, Law, regulation or by-law which causes additional or reduced cost to the Contractor, other than under the preceding sub-clauses of this clause, in the execution of the Contract, such additional or reduced cost shall, after due consultation with the Employer and the Contractor, be determined by the Project Manager and shall be added to or deducted from the Contract Price and the Project Manager shall notify the Contractor accordingly, with a copy to the Employer. Notwithstanding the foregoing, such additional or reduced cost shall not be separately paid or credited if the same shall already have taken into account in the indexing of any inputs to the Price Adjustment Formulae in accordance with the provisions of Sub-Clauses 45.2 |
| | 45.7Where, price adjustment provision is not applicable pursuant to Sub-clause 45.1 then the Contract is subject to price adjustment only for construction material in accordance with this clause. If the prices of the construction materials stated in the contract is increased or decreased in an unexpected manner in excess of ten (10%) percent in comparison to the base price construction material stated in Section –IV, Bidding Forms-Table of Price Adjustment Data, then the price adjustment for the increase or decrease of price of the construction material beyond 10% shall be made by applying the following formulas:<br>For unexpected increase in price<br>$P = [R_1 - (R_0 \times 1.10)] \times Q$<br>For unexpected decrease in price P<br>$= [R_1 - (R_0 \times 0.90)] \times Q$<br>Where:<br>"P" is price adjustment amount<br>"$R_1$" is the present price of the construction material (Source of indices shall be those listed in the Bidding forms)<br>"$R_0$" is the base price of the construction material |

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| | "Q" is quantity of the construction material consumed in construction during the period of price adjustment consideration<br>If the Base price and source is to be proposed by the Bidder as per the provision made in Section –IV, Bidding Forms-Table of Price Adjustment Data then the Base price and source filled by Bidder for the construction material stated in the Bidding Form shall be subject to the approval of the Project manager and shall be as stated in SCC..<br>45.8The Price Adjustment amount shall be limited to a maximum of the initial Contract Amount as specified in the **SCC**.<br>4.9 The Price Adjustment provision shall not be applicable for delayed period if the contract is not completed in time due to the delay caused by the contractor or the contract is a Lump sum Contract or a Fixed Budget Contract. |
| **46. Retention** | 46.1 The Employer shall retain from each payment due to the Contractor the proportion stated in the SCC until Completion of the whole of the Works.<br>46.2 Upon the issue of a Defects Liability Certificate by the Project Manager, in accordance with GCC 55.1, half the total amount retained shall be repaid to the Contractor and half when the Contractor has submitted the Tax evidence document issued by the concerned Internal Revenue Office that the contractor has submitted his Income Returns . On completion of the whole works, the Contractor may substitute retention money with an "on demand" bank guarantee. |
| **47. Liquidated Damages** | 47.1 The Contractor shall pay liquidated damages to the Employer at the rate per day stated in the **SCC** for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the **SCC**. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor's liabilities.<br>47.2 If the Intended Completion Date is extended after |

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| | liquidated damages have been paid, the Project Manager shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate. The Contractor shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in GCC.41 |
| **48. Bonus** | 48.1 The Contractor shall be paid a Bonus calculated at the rate per calendar day stated in the **SCC** for each day (less any days for which the Contractor is paid for acceleration) that the Completion is earlier than the Intended Completion Date. The Project Manager shall certify that the Works are complete, although they may not be due to be complete. |
| **49. Advance Payment** | 49.1 The Employer shall make advance payment to the Contractor of the amounts stated in the SCC by the date stated in the SCC, against provision by the Contractor of an unconditional bank guarantee from 'A' class commercial Bank in a form and by a bank acceptable to the Employer in amounts equal to the advance payment. The guarantee shall remain effective until the advance payment has been repaid, but the amount of the guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest shall not be charged on the advance payment. |
| | 49.2 The Contractor is to use the advance payment only to pay for Equipment, Plant, Materials, and mobilization expenses required specifically for execution of the Contract. The Contractor shall demonstrate that advance payment has been used in this way by supplying copies of invoices or other documents to the Project Manager.<br>49.3 The advance payment shall be repaid by deducting proportionate amounts, as stated in SCC, from payments otherwise due Contractor, following the schedule of completed percentages of the Works on a payment basis. No account shall be taken of the advance payment or its repayment in assessing valuations of work done, Variations, price adjustments, Compensation Events, Bonuses, or Liquidated Damages. |

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| **50. Securities** | 50.1 The Performance Security shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall be issued in an amount specified in the SCC, by a'A' class commercial bank acceptable to the Employer, and denominated in Nepalese Rupees. The Performance Security shall be valid until a date 30 days from the date of issue of the Defect Liability Certificate in the case of a bank guarantee.<br>50.2 Additional Performance Security required as per ITB 34.5 shall be valid until a date 30 days from the date of issue of the Certificate of Completion in the case of a bank guarantee<br>50.3 The performance security issued by any foreign Bank outside Nepal must be counter guaranteed by an "A" class commercial Bank in Nepal. |
| **51. Day works** | 51.1 If applicable, the Day works rates in the Contractor's Bid shall be used for small additional amounts of work only when the Project Manager has given written instructions in advance for additional work to be paid for in that way.<br>51.2 All work to be paid for as Day works shall be recorded by the Contractor on forms approved by the Project Manager. Each completed form shall be verified and signed by the Project Manager within two days of the work being done.<br>51.3 The Contractor shall be paid for Day works subject to obtaining signed Day works forms. |
| **52. Cost of Repairs** | 52.1 Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Correction periods shall be remedied by the Contractor at the Contractor's cost if the loss or damage arises from the Contractor's acts or omissions. |
| **E. Finishing the Contract** | |

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| **53. Completion** | 53.1 The Contractor shall request the Project Manager to issue a certificate of Completion of the Works, and the Project Manager shall do so upon deciding that the work is completed. |
| **54. Taking Over** | 54.1 The Employer shall take over the Site and the Works within seven days of the Project Manager's issuing a certificate of Completion. |
| **55. Final Account** | 55.1 The Contractor shall supply the Project Manager with a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Project Manager shall issue a Defects Liability Certificate and certify any final payment that is due to the Contractor within 60 days of receiving the Contractor's account if it is correct and complete. If it is not, the Project Manager shall issue within 60 days a schedule that states the scope of the corrections or additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Project Manager shall decide on the amount payable to the Contractor and issue a payment certificate. |
| **56. Operating and Maintenance Manuals** | 56.1 If "as built" Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates stated in the **SCC.**<br>56.2 If the Contractor does not supply the Drawings and/or manuals by the dates **stated in the SCC** pursuant to GCC 56.1, or they do not receive the Project Manager's approval, the Project Manager shall withhold the amount **stated in the SCC** from payments due to the Contractor. |
| **57. Termination** | 57.1 In no case, the contractor shall terminate the contract unilaterally, without duly notifying the Employer.<br>57.2 The Employer may terminate the Contract at any time if the contractor :<br>(a) does not commence the work as per the Contract, |

(b) abandons the work without completing,

(c) fails to achieve progress as per the Contract.

57.3 The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract.

57.4 Fundamental breaches of Contract shall include, but shall not be limited to, the following :

(a) The Contractor uses the advance payment for matters other than the contractual obligations,

(b) the Contractor stops work for 30 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Project Manager;

(c) the Project Manager instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 30 days;

(d) the Employer or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation.

(e) a payment certified by the Project Manager is not paid by the Employer to the Contractor within 90 days of the date of the Project Manager's certificate;

(f) the Project Manager gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Project Manager;

(g) the Contractor does not maintain a Security, which is required; and

(h) the Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as defined in the SCC.

(i) If the Contractor, in the judgment of the Employer has engaged in corrupt or fraudulent practices in competing for or in executing the Contract, pursuant to

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| | GCC 58.1.<br>57.5 When either party to the Contract gives notice of a breach of Contract to the Project Manager for a cause other than those listed under GCC 57.2 above, the Project Manager shall decide whether the breach is fundamental or not.<br>57.6 Notwithstanding the above, the Employer may terminate the Contract for convenience.<br>57.7 If the Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible. |
| **58. Fraud and Corruption** | 58.1 If the Employer determines that the Contractor has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices, in competing for or in executing the Contract, then the Employer may, after giving 15 days notice to the Contractor, terminate the Contractor's employment under the Contract and expel him from the Site.<br>58.2 Should any employee of the Contractor be determined to have engaged in corrupt, fraudulent, collusive, coercive, or obstructive practice during the execution of the Works, then that employee shall be removed in accordance with Clause 9.<br>For the purposes of this Sub-Clause;<br>(i) "corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.<br>(ii) "fraudulent practice"[3] is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an |

[3] a "party" refers to a public official; the terms "benefit" and "obligation" relate to the procurement process or contract execution; and the "act or omission" is intended to influence the procurement process or contract execution.

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| | obligation;<br>(iii) "collusive practice"[4] is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;<br>(iv) "coercive practice"[5] is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;<br>(v) "obstructive practice" is<br>(aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or<br>(bb) acts intended to materially impede the exercise of the GON's/DP's inspection and audit rights provided for under Sub-Clause 22.2. |
| **59. Black Listing** | 59.1 Without prejudice to any other rights of the Employer under this Contract, GoN, Public Procurement Monitoring Office (PPMO), on the recommendation of procuring entity, may blacklist a Bidder for its conduct for a period of one (1) to three (3) years on the following grounds and seriousness of the act committed by the bidder.<br>(a) if it is established that the Contractor has |

[4] "parties" refers to participants in the procurement process (including public officials) attempting to establish bid prices at artificial, non competitive levels.

[5] a "party" refers to a participant in the procurement process or contract execution.

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| | committed substantial defect in implementation of the contract or has not substantially fulfilled its obligations under the contract or the completed work is not of the specified quality as per the contract. |
| **60. Payment upon Termination** | 60.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Project Manager shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate. Additional Liquidated Damages shall not apply. If the total amount due to the Employer exceeds any payment due to the Contractor, the difference shall be a debt payable to the Employer.<br>60.2 If the Contract is terminated for the Employer's convenience or because of a fundamental breach of Contract or for any other fault by the Contractor, the performance security shall be forfeited by the Employer. In such case, amount to complete the remaining works as per the Contract shall be recovered from the Contractor as Government dues.<br>60.3 If the Contract is terminated because of fundamental breach of Contract or for any other fault by the Contractor, the performance security shall be forfeited by the Employer. |
| **61. Property** | 61.1 All Materials on the Site, Plant, Equipment, Temporary Works, and Works shall be deemed to be the property of the Employer if the Contract is terminated because of the Contractor's default. |
| **62. Release from Performance** | 62.1 If the Contract is frustrated by the outbreak of war or by any other event entirely outside the control of either the Employer or the Contractor, the Project Manager shall certify that the Contract has been frustrated. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all work carried out before receiving it and for any work carried out afterwards to which a commitment was made. |
| **63. Suspension of DP** | 63.1 In the event that the Donor Agency suspends the loan/ |

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| **Loan/Credit/Grant** | credit/grant to the Employer from which part of the payments to the Contractor are being made:<br>a. the Employer is obligated to notify the Contractor of such suspension within 7 days of having received the Donor Agency's suspension notice; and<br>b. if the Contractor has not received sums due him within the 30 days for payment provided for in Sub-Clause 41.1, the Contractor may immediately issue a 15-day termination notice. |
| **64. Project Manager's Duties and Authorities** | 64.1 The Project Manager's duties and authorities are restricted to the extent as stated in the SCC. |
| **65. Quarries and Spoil Dumps** | 65.1 Any quarry operated as part of this Contract shall be maintained and left in a stable condition without steep slopes and be either refilled or drained and be landscaped by appropriate planting. Rock or gravel taken from a river shall be removed over some distance so as to limit the depth of material removed at any one location, not disrupt the river flow or damage or undermine the river banks. The Contractor shall not deposit excavated material on land in Government or private ownership except as directed by the Project Manager in writing or by permission in writing of the authority responsible for such land in Government ownership, or of the owner or responsible representative of the owner of such land in private ownership, and only then in those places and under such conditions as the authority, owner or responsible representative may prescribe. |
| **66. Local Taxation** | 66.1 The prices tendered by the Contractor shall include all taxes that may be levied in accordance to the laws and regulations in being in Nepal on the date 30 days prior to the closing date for submissions of Bids on the Contractor's equipment, plant and materials acquired for the purpose of the Contract and on the services performed under the Contract. Nothing in the Contract shall relieve the Contractor from his responsibility to pay any tax that may be levied in Nepal on profits |

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| | made by him in respect of the Contract. |
| **67. Value Added Tax** | 67.1 The Contract is not exempted from value added tax. An amount specified in the schedule of taxes shall be paid by the Contractor in the concerned VAT office within time frame specified in VAT regulation. |
| **68. Income Taxes on Staff** | 68.1 The Contractor's staff, personnel and labor will be liable to pay personal income taxes in Nepal in respect of their salaries and wages, as are chargeable under the laws and regulations for the time being in force, and the Contractor shall perform such duties in regard to such deductions as may be imposed on him by such laws and regulations.<br>68.2 The issue of the Final Account Certificate pursuant to clause 55 shall be made only upon submittal by the Contractor of a certificate of income tax clearance from the Government of Nepal. |
| **69. Duties, Taxes and Royalties** | 69.1 Any element of royalty, duty or tax in the price of any goods including fuel oil, and lubricating oil, cement, timber, iron and iron goods locally procured by the Contractor for the works shall be included in the Contract rates and prices and no reimbursement or payment in that respect shall be made to the Contractor.<br>69.2 The Contractor shall familiarize himself with GON the rules and regulations with regard to customs, duties, taxes, clearing of goods and equipment, immigration and the like, and it will be necessary for him to follow the required procedures regardless of the assistance as may be provided by the Employer wherever possible.<br>69.3 The Contractor shall pay and shall not be entitled to the reimbursement of cost of extracting construction materials such as sand, stone/boulder, gravel, etc. from the river beds or quarries. Such prices will be levied by the local District Development Committee (DDC) as may be in force at the time. The Contractor, sub-contractor(s) employed directly by him and for whom he is responsible, will not be exempted from payment of royalties, taxes or other kinds of surcharges on these |

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| | construction materials so extracted and paid for to the DDC. |
| **70. Member of Government, etc., not Personally Liable** | 70.1 No member or officer of GoN or the Employer or the Project Manager or any of their respective employees shall be in any way personally bound or liable for the act or obligations of the Employer under the Contract or answerable for any default or omission in the observance or performance of any of act, matter or thing which are herein contained. |
| **71. Approval of Use of Explosives** | 71.1No explosives of any kind shall be used by the Contractor without the prior consent of the Employer in writing and the Contractor shall provide, store and handle these and all other items of every kind whatsoever required for blasting operations, all at his own expense in a manner approved in writing by the Employer. |
| **72. Compliance with Regulations for Explosives** | 72.1 The Contractor shall comply with all relevant ordinances, instructions and regulations which the Government, or other person or persons having due authority, may issue from time to time regarding the handling, transportation, storage and use of explosives. |
| **73. Permission for Blasting** | 73.1 The Contractor shall at all times maintain full liaison with and inform well in advance, and obtain such permission as is required from all Government authorities, public bodies and private parties whatsoever concerned or affected, or likely to be concerned or affected by blasting operation. |
| **74. Records of Explosives** | 74.1 Before the beginning of the Defects Liability Period, the Contractor shall account to the satisfaction of the Project Manager for all explosives brought on to the Site during the execution of the Contract and the Contractor shall remove all unused explosives from the Site on completion of works when ordered by the Project Manager. |
| **75. Traffic Diversion** | 75.1 The Contractor shall include the necessary safety procedures regarding and pedestrian traffic diversion that is needed in execution of the works. The Contractor shall |

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| | include in his costing of works, any temporary works or diversion that are needed during the construction period. All traffic diversion should be designed for the safety of both the motoring public and the men at work. It shall ensure the uninterrupted flow of traffic and minimum inconvenience to the public during the period concerned. As such, adequate warning signs, flagmen and other relevant safety precautionary measures shall be provided to warn motorists and pedestrians well ahead of the intended diversion as directed by the Project Manager. All traffic devices used shall be designed in accordance with the instruction of Project Manager. |

# SECTION - VIII
## Special Conditions of Contract

The following Special Conditions of Contract shall supplement the GCC. Whenever there is a conflict, the provisions herein shall prevail over those in the GCC

# Special Conditions of Contract

| A. General | |
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| GCC 1.1 (q) | The Employer is: **Nepal Electricity Authority**<br>**Distribution and Consumer Services Directorate**<br>**Butwal regional Office Butwal kalikanagar** |
| GCC 1.1 (u) | The Intended Completion Date for the whole of the Works shall be **09** months. |
| GCCs 1.1 (bb) & 4.1 | The Project Manager is a person assigned by the employer. |
| GCC 1.1 (dd) | The Site is located at the areas of **Rapti river crossing Bhalubang** |
| GCC 1.1 (gg) | The Start Date shall be:<br>The effective date, upon which the period until the time for completion of the facilities shall be counted from date **of signing of Contract**, |
| GCC 1.1 (kk) | The Works consist of **Supply, Delivery, Installation/Erection, Testing and Commissioning of lattice tower with conductor stringing across the rapti river at Bhalubang *turnkey basis*** as defined in the bidding data and scope of work. |
| GCC 1.1 (l l) | ***Add the following terms and definitions after 1.1 (kk).***<br>The terms "Facilities" and "Works" are used interchangeably.<br>The terms "Final Acceptance Certificate" and "Defect Liability Certificate" are used interchangeably.<br>***Add new definition as follows:***<br>Final Acceptance means the acceptance by the Employer of the facilities, which certifies the Contractor's fulfillment of the entire contract. The "Final Acceptance Certificate" shall be issued to the Contractor after the expiry of the last Defect Liability Period provided the Contractor has also fulfilled all its obligation towards the Income Tax Department and the Customs Department of Government of Nepal. |
| GCC 2.2 | Sectional Completions are: **None** |

<table>
<tr><td>GCC 2.3(i)</td><td>The following documents also form part of the Contract:<br>(a) Minutes of Meeting as agreed upon<br>(b) Value Added Tax (VAT) Certificate<br>(c) PAN Certificate<br>(d) Tax clearance Certificate</td></tr>
<tr><td>GCC 3.1</td><td>The language of the contract is ENGLISH/NEPALI<br>The law that applies to the Contract is the LAW OF NEPAL</td></tr>
<tr><td>GCC 8.1</td><td>Schedule of other contractors: None</td></tr>
<tr><td>GCC 13.1</td><td>The minimum insurance covers shall be:<br>(a) <u>Cargo Insurance:</u><br>Covering loss or damage occurring, while in transit from the supplier's or manufacturer's works or stores until arrival at the Site, to the Facilities (including spare parts therefore) and to the construction equipment to be provided by the Contractor or its Subcontractors.<br><table><tr><td>Amount</td><td>Deductible Limits</td><td>Parties Insured</td><td>From</td><td>To</td></tr><tr><td>110% of CIP Cost</td><td>(*)</td><td>Contractor</td><td>Dispatch Certificate</td><td>Arrival to Site</td></tr></table>(*) Excess 5% of claimed amount subjected to minimum of NRs. 20,000 for normal and NRs. 80,000 for act of God/major perils and collapse.<br>(b) <u>Installation All Risk Insurance:</u><br>Covering physical loss or damage to the Facilities at the Site, occurring prior to completion of the Facilities, with extended maintenance coverage for the Contractor's liability in respect of any loss or damage occurring during the defect liability period while the Contractor is on the Site for the purpose of performing its obligation during the defect liability period.<br><table><tr><td>Amount</td><td>Deductible Limits</td><td>Parties Insured</td><td>From</td><td>To</td></tr><tr><td>110% of Contract Value</td><td>(*)</td><td>Contractor</td><td>Dispatch Certificate</td><td>Final Acceptance Value</td></tr></table>(*) Excess 5% of claimed amount subjected to minimum of NRs. 10,000 for</td></tr>
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normal period and NRs. 30,000 for testing period.

**(c) Third Party:**

Covering bodily injury or death suffered by third parties (including the Employer's personnel) and loss of or damage to property (including the Employer's property and any parts of the Facilities that have been accepted by the Employer) occurring in connection with the supply and installation of the Facilities.

| Amount | Deductible Limits | Parties Insured | From | To |
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| NRs. 1 Million | As in (b) above | Contractor's Employees | Commencement of Works | Defect Liability Certificate |
| NRs. 1 Million | As in (b) above | Employer's Personnel | Commencement of Works | Defect Liability Certificate |
| NRs. 4 Million | As in (b) above | Third Party Personnel | Commencement of Works | Defect Liability Certificate |

**Automobile Liability Insurance:**

Covering use of all vehicles used by the Contractor or its Subcontractors (whether or not owned by them) in connection with the supply and installation of the Facilities. Comprehensive insurance in accordance with statutory requirements.

**Worker's Compensation:**

In accordance with the statutory requirements applicable in any country where the Facilities or any part thereof is executed.

**Employer's Liability:**

In accordance with the statutory requirements applicable in any country where the Facilities or any part thereof is executed.

**Other Insurances:**

The Contractor is also required to take out and maintain at its own cost the following insurances:

Details: None

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| | <table><tr><td>Amount</td><td>Deductible Limits</td><td>Parties Insured</td><td>From</td><td>To</td></tr><tr><td></td><td></td><td></td><td></td><td></td></tr></table><br>The Employer shall be named as co-insured under all insurance policies taken out by the Contractor except for the third party liability, Workers' Compensation and Employer's Liability Insurances, and the Contractor's Subcontractors shall be named as co-insured's under all insurance policies taken out by the Contractor, except for the Cargo, Worker's Compensation and Employer's Liability Insurances. All insures's rights of subrogation against such co-insured's for losses or claims arising out of the performance of the Contract shall be waived under such policies.<br><br>The minimum cover for personnel injury or death insurance shall, however, be not less than as per requirement of the Labor Act of Nepal. |
| GCC 14.1 | Site Investigation Reports are: **To be submitted by the Contractor** |
| GCC 17.1 | The following shall be designed by the Contractor: As applicable |
| GCC 20.1 | The Site Possession Date(s) shall be: as agreed during Contract signing |
| GCC 25.1 | The place of arbitration shall be: Kathmandu, Nepal. |
| B. Time Control | |
| GCC 26.1 | The Contractor shall submit for approval a Program for the Works within 30 days from the date of the Letter of Acceptance. |
| GCC 26.3 | The period between Program updates is 30 days.<br><br>The amount to be withheld for late submission of an updated Program is: All due bills shall be withheld. |
| GCC 27.3 | Add this new Sub-Clause:<br><br>If the Contractor intends to apply for an extension of the Time for Completion, the Contractor shall give notice to the Employer's Representative of such intention as soon as possible and in any event within 14 days of the start of the event giving rise to delay. Within 28 days of the start of the event giving rise to the delay, the Contractor shall submit full supporting details of his application. |
| C. Quality Control | |

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| GCC 33.1 | ***Add following before Clause 33.1***<br><br>1. The Employer or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Employer. Technical Specifications shall specify what inspections and tests the Employer requires and where they are to be conducted. The Employer shall notify the Contractor in writing, in a timely manner, of the identity of any representatives retained for these purposes.<br>2. The inspections and tests may be conducted on the premises of the Contractor of its subcontractor(s), at point of delivery, and/or at the Good's final destination. If conducted on the premises of the Contractor or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Employer.<br>3. Should any inspected or tested Goods fail to conform to the Specifications, the Employer may reject the Goods, and the Contractor shall either replace the rejected Goods or make alternations necessary to meet specification requirements free of cost to the Employer.<br>4. The Employer's right to inspect, test and, where necessary, reject the Goods after the Goods arrival in Nepal shall in no way be limited or waived by reason of the Goods having previously been inspected, tested and passed by the Employer or its representative prior to the Goods shipment from the country of origin.<br>5. The Employer will depute his Engineers to witness the factory test at Contractor's factory. Number of personnel and items of equipment whose tests will be witnessed by NEA personnel shall be as follows. Travelling expenses, per diem, accommodation, living and all other expenses incurred by such personnel during their visit for shop inspection shall be borne by the Employer..<br><br>ACSR Conductors: 2 person (1 lot)<br><br>6. Nothing in Clauses here above shall in any way release the Contractor from any warranty or other obligations under this Contract |
| GCC 34.1 | The Defects Liability Period is: 365 days |
| D. Cost Control | |
| GCC 37.1(d) | ***Add this new sub-clause:***<br><br>The quantities entered in the Price Schedule are only estimated quantities. After |

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| | detailed site investigation and design, the Contractor shall prepare a final Price Schedule within 45 days from the date of Contract Signing and submit to the Project Manager for approval. The Contractor shall agree to make no claims to anticipated profit or alleged losses because of any difference between the quantities actually furnished and erected and the estimated quantities from Contract.<br><br>NEA reserves the right at the time of award of contract or within three months from the effective date of contract to increase or decrease the quantities of the Price Schedule by up to fifteen percent (15%) of the contract price. Taking this into consideration, the Bidder shall present a fairly balanced price on Bill of Quantities. |
| GCC 41 | ***Delete sub-clause 41.1, 41.2 and 41.3 and replace with the following:***<br><br>**General**<br><br>Payments of the plant and equipment offered from outside the Nepal shall be made in Nepalese Currency only and no Letter of Credit shall be established. Payments for insurance, clearing, forwarding and transportation up to site, locally manufactured equipment and construction and installations shall also be made only in local currency, i.e. in Nepali Rupees.<br><br>***Advance Payment:***<br><br>Up to 10 % (Ten Percent) of total Contract price may be payable in installments: 10% after the signing of agreement for the mobilization of contractor's team at the site and submission of copies of insurance.<br>If the Contractor fails to complete the work within the said time of Contract agreement and accordingly fails to clear the advance payment received, the advance payment made to the contractor shall be recovered by forfeiting the advance bank guarantee and additional 10 % amount shall be penalized as an interest for unrecovered advance money.<br><br>***Payment for Supply, Construction and Installations***<br><br>i. Payments to the Contractor for progress payments shall be made by the NEA to the Contractor within reasonable time after receipt of invoices.<br><br>ii. Payments to be made to the Contractor by the NEA other than progress payments shall be made in accordance with the relevant clauses governing each type of payment.<br><br>iii. All payments to the Contractor for work performed under the |

Contract shall be in Nepalese Rupees in accordance with supply and construction items unit prices pursuant to the Bid Price Schedules. Notwithstanding NEA procedural assistance to the Contractor, will neither make any foreign currency payments to the Contractor for any reason whatsoever nor guarantee any foreign currency commitment by the Contractor.

iv. Payments shall be made adhering to actual measurements at site strictly. For any variations in quantity the unit rate of the bid shall prevail. Measurement at site shall be jointly carried out by the representative/engineer of employer, contractor and community.

v. Progress Payment shall be made only after the completion of work under any construction unit complete as mentioned in BOQ as per standard drawing, specification and as directed by the **NEA**. Contractor shall not receive any amount against material delivered at sites until these materials are installed or erected at site. Further the progress Bill less than 20% of contract amount shall not be processed for payment.

**Retention Amount**

Five percent (5%) from each progress payment for Plant and Materials; Insurance, Clearing, Forwarding and Inland Transportation to Site; and Construction and Installation works shall be retained. The following conditions shall be fulfilled for the payment of such retained amount:

(a) Issuance of Defect Liability Certificate by the Employer's Representative.
(b) Receipt of income tax clearance certificate by Government of Nepal (GON), Internal Revenue Department (IRD) and custom clearance documents showing the re-export of all the returnable items or tax payment Certificate for items disposed in the Country including fulfillment of all outstanding obligations. If the Contractor fails to clear all the required taxes, custom clearances and all outstanding obligations as mentioned above, such money shall be deducted from this portion of the Retention money.
(c) The Employer shall pay the Contractor the amounts certified by the Manager within 45 days from the date of approval of each certificate.

**Income Tax Deduction**

From each progressive bill, an amount, as determined by the prevalent rules and regulation of GOVERNMENT OF NEPAL, shall be deducted and deposited

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| | with the concerned Tax Department in the country as a deposit towards Contractor's income tax. |
| GCC 42.1 | ***Delete sub-clause 42.1 (e),(f), (g) & (i)*** |
| GCC 43 | ***Delete sub-clause 43.1 and replace with the following:***<br><br>**1. In the country of Origin**<br><br>The prices bid by the Contractor shall include all taxes, duties and other charges imposed outside the Employer's country on the production, manufacture, seller and transport of the Contractor's Equipment, Plant, Materials and supplied to be used on or furnished under the Contract, and on the services performed under the Contract.<br><br>**2. In Nepal**<br><br>**General:**<br><br>(a) Unless otherwise specifically declared in the contract documents, the prices bid by the Contractor and its suppliers and subcontractors shall include business taxes and other taxes that may be levied in accordance with the laws and regulations in force or in effect in Nepal as of 28 days prior to the closing date for submission of tenders in the Employer's country on the Equipment, Plant, Materials and Supplies (permanent, temporary and consumables) acquired for the purpose of Contract and on the services performed under the Contract. Whatsoever provisions made in the Contract document shall not relieve the Contractor, its suppliers and subcontractors from their responsibility to pay income tax that may be levied in the Employer's country on profits made by the Contractor, its suppliers and subcontractors in respect of the Contract.<br>(b) **Value Added Tax (VAT):** value added tax (VAT) shall be imposed on all imported equipment and materials to be supplied and delivered exclusively for use in the Project. The prices bid by the Contractor and its suppliers and subcontractors shall include the VAT as specified on Price Schedule.<br>(c) In the event that the origin of any of the contractor's or its subcontractor's or the nominated subcontractor's plant, equipment and materials is India, the provisions for the exemption of customs duties as is mentioned in this clause shall be applied only under the following conditions. Failure to comply with these conditions will result in application of normal customs duties, as per prevailing rules and |

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| | regulation of Government of Nepal (GON).<br><br>**Staff Income Tax:**<br><br>The Contractor's staff, personnel and laborers, and those of its subcontractors, will be liable to pay personal income tax in the Employer's country, irrespective of whether they are local or foreign nationals on income earned including salaries and wages as applicable under the laws and regulation of Nepal. The Contractor shall perform such duties in regard to Tax Deduction at Source (TDS) thereof as may be applicable by such laws and regulations.<br><br>**Duties on Equipment, Plant, Materials and Supplies:**<br><br>(a) The Contractor shall pay all applicable customs & taxes and shall be included in the Contract Rates and Prices.<br><br>(b) Income tax assessed in accordance with the prevailing Income Tax Act of Nepal and as per the provision of any specific Double Taxation Agreement, shall be imposed on the Contractor, its sub-contractors and nominated sub- contractors. An advance income tax as per the prevailing income Tax Act and Finance Act shall be deducted from the monthly progress payment of the Contractor.<br><br>(c) The Contractor shall pay all duties, taxes, fees and contributions levied in Nepal in Nepalese Rupees as directed by the relevant governmental department or office, or any other local statutory agency or body in accordance with the relevant rules and regulations.<br><br>(d) Other local fees and charges (toll taxes) shall be applied in accordance with the prevailing laws and regulations of Nepal.<br><br>(e) The Contractor shall pay all applicable customs & taxes and shall be included in the Contract Rates and Prices.<br><br>(f) Locally available goods, construction materials including fuel, lubricating oil, cement, timber, iron and steel goods, etc. shall be procured locally. All taxes for such goods procured from the local market shall be included in the Contract Rates and Prices and no reimbursement or payment in that respect shall be made to the Contractor. |
| GCC 45 | ***Delete sub-clause 45.1, 45.2 & 45.3 and replace with the following:***<br><br>This is Fixed Price Contract. |

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| GCC 45 | ***Delete sub-clause 45.7 & 45.8 and replace with the following:***<br>This is Fixed Price Contract. |
| GCC 46.1 | The proportion of payments retained is: **5 (FIVE) PERCENT** |
| GCC 47.1 | The liquidated damages for the whole of the Works are 0.05 PERCENT of the final Contract Price per day. The maximum amount of liquidated damages for the whole of the Works is 10 PERCENT of the final Contract Price. |
| GCC 48.1 | The Bonus for the whole of the Works is **Not Applicable.** |
| GCC 49.1 | The Advance Payments shall be limited to Ten percent (10%) of the initial Contract price excluding the provisional sums, day works and VAT and shall be made to the Contractor upon submission of acceptable Bank Guarantee for advance payment. |
| GCC 49.3 | The Advance Payment will be recovered as follows:<br>Deduction will be at the rate of at least 10% of respective invoices until such time as the advance payment has been repaid. |
| GCC 50.1 | i) The Performance Security shall be for the following minimum amounts equivalent as a percentage of the Contract Price: ***5 percent*** and an ***additional amount of 8%*** of the Contract price if the Employer has increased the Performance Security amount pursuant to ITB Sub Clause 38.1 and ITB Sub Clause 34.5.<br>or<br>ii) If contract price is below 15% of estimated amount then performance security shall be 5 percent of contract price and an addition 50% amount of difference between 15% of estimated amount and contract price, i.e. Performance Security Amount = [ (0.85 x Cost Estimate –Bid Price) x 0.5] + 5% of Bid Price<br>or<br>iii) The Performance Security shall be for the following minimum amounts equivalent as a percentage of the Contract Price: amount in clause ii and an additional amount of 8% of the Contract price if the Employer has increased the Performance Security amount to ITB Sub Clause 38.1 and ITB Sub Clause 34.5.<br>The Standard form(s) of Performance Security acceptable to the Employer shall be |

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| | "an Unconditional Bank Guarantee" acceptable to the Employer of the type presented in section IX of the Bidding Documents. |
| **E. Finishing the Contract** | |
| GCC 53.1 | ***Replace the whole clause with the following:***<br>The Contractor shall request the Project Manager to issue a certificate of Completion of the Works, after completion of the Works in accordance with the Contract, including Tests on Completion. A pre-requisite for such request is that the entire Work has been subjected to normal operating stresses for at least two (2) weeks and that no defects or elements of danger have developed during this period (except for minor outstanding work that does not affect the use of the Works or Section for their intended purpose). The Employer's right to subject part of the Work to normal operating stresses during the course of execution is not affected by the provisions of this article.<br>When the Employer/Employer's Representative along with CBOare satisfied that the whole Works have been completed and has established that the individual components are impeccable in all respects and fulfill the stipulated conditions, and after any defects that may have come to light have been remedied, a Hand-Over Certificate will be issued by the Employer's Representative along with CBO with copy to the Employer. The right to determine whether or not the whole Work is completed rests with the Employer/Employer's Representative.<br>The issuance of the Hand-Over Certificate marks the beginning of the Defect Liability Period.<br>The Employer can reject the application, giving his reason and specifying the work required to be done by the Contractor to enable the Hand-Over Certificate to be issued: the Contractor shall then complete such work before issuing a further notice under this Sub-Clause. |
| GCC 56.1 | The date by which operating and maintenance manuals are required is: Prior to the issuance of the Certificate of Completion.<br>The dates by which "as built" drawings are required is: Prior to Completion Certificate.<br>Moreover, should any change is required in the "as-built" drawings because of rectification of any defects within the Defects Liability Period, such changes shall be incorporated and "as-built" drawing shall be updated accordingly before issuance of the Final Acceptance Certificate. |
| GCC 56.2 | The amount to be withheld for failing to produce "as built" drawings and/or |

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| | Operating and Maintenance manuals by the date required is: Full value of last invoice. |
| GCC 57.4 (h) | The maximum number of days is: 200 days |
| GCC 61.1 | The percentage to apply to the value of the work not completed, representing the Employer's additional cost for completing the Works, is: 25% |
| GCC 64 | The Manager has to obtain the specific approval of the Employer for taking any of the following actions:<br>a. Approving subcontracting of any part of the work under General Conditions of Contract Clause 7;<br>b. Certifying additional costs determined under General Conditions of Contract Clause 42;<br>c. Determining the extension of the intended Completion Date under General Conditions of Contract Clause 27;<br>d. Issuing a Variation under General Conditions of Contract Clause 1 and 38, except in an emergency situation, as reasonably determined by the Manager; emergency situation may be defined as the situation when protective measures must be taken for the safety of life or of the works or of adjoining property.<br>e. There shall be no changes in unit rates quoted by the contractor pursuant to clause 37 of General Conditions of Contract.<br>Add the Clause 64 in GCC with the following Sub Clauses:<br>**64.1 Inspection and Tests**<br>(A) General<br>The quality, workmanship and performance of all items and the Works or Equipment (raw materials, components, intermediate assemblies and end products) shall be subject to inspections and tests by the Employer/Employer's Representative to the extent practicable, at the relevant locations and in any event prior to Taking Over. Unless otherwise directed, testing and inspection shall be done according to the best commercial method for the particular type and class of work.<br>The Employer/Employer's Representative shall be entitled at all reasonable times before and during the periods of design, manufacture, shipment, site erection, commissioning and guarantee period to inspect, examine and test the design work, materials and |

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| | workmanship of all work and equipment to be supplied under the Contract, and if part of the Work or equipment is being manufactured on other premises, the Contractor shall obtain for the Employer/Employer's representative permission to inspect, examine and test as if the said Works or equipment were being manufactured on the Contractor's premises. The inspection, examination or testing, if made, shall not release the Contractor from any responsibility and obligation under the Contract. Work and equipment not manufactured or erected in accordance with the Contract shall be removed by the Contractor at his own expense.<br><br>Inspectors and other properly authorized representatives of the Employer/Employer's Representative shall be free at all times to perform their duties and any intimidation or attempted intimidation of any one of them by the Contractor or by any of his employees or Sub-Contractor shall be sufficient reason, if the Employer so decides, for the termination of Contract.<br><br>The Contractor shall furnish all reasonable aid and assistance required by the Employer/Employer's Representative, or inspectors, for the proper inspection and examination of the Work and all parts thereof. For tests on the premises of the Contractor or of any Sub-Contractor or at Site (unless otherwise stated in the Specifications), the Contractor shall provide at his expense such as means of access, space, vehicles, machine, labor, materials, electricity, fuel, stores, apparatus and instruments, as well as make availability the use of all Contractor's facilities as may be required and as may be demanded reasonably to perform these tests efficiently.<br><br>The Contractor shall analyze and test all materials and equipment, which the Employer/Employer's Representative requires to be analyzed or tested. Selection of samples for testing material or equipment shall be made by the Employer/Employer's Representative. The Contractor shall analyze and test these materials and equipment in the manner and at the time and place stated in the Contract Documents or required by the Employer/Employer's Representative in accordance with the provisions of the Contract.<br><br>Under completion of manufacture at the factory, the Employer will depute his personnel to the Contractor's factory to witness the fabrication, assembly and testing of any or all parts of the equipment and materials as specified in Sub-Clause 64.2 of SCC. |

Unless waived in writing by the Employer/Employer's Representative or unless otherwise stated in Specifications, all inspections and tests shall be made in the presence of the Employer / Engineer or inspector authorized by the Employer. Only those materials and parts of the Work and equipment, which have been approved by the Employer/Engineer shall be used and shipped.

(B) Cost of tests borne by the Contractor

Unless otherwise specified, all costs related to the fabrication, assembly and test or tests shall be arranged and borne by the Contractor at its own cost. This shall apply to tests performed at the Site or elsewhere.

(C) Dates for inspection and testing

The Contractor shall agree with the Employer/Employer's Representative the date on and the place at which any Work will be ready for testing as provided in the Contract and if the Employer/Employer's Representative fails to attend at the place so named on the date agreed the Contractor may proceed with the tests, which shall be deemed to have been made in the Employer/Employer's Representative presence, and shall forthwith forward to the Employer/Engineer duly certified copies of the test readings.

(D) Facilities for testing

Where the Contractor provides for tests on the premises of the Contractor or of any Sub-Contractor the Contractor shall provide such assistance, labor, materials, electricity, fuel, stores, apparatus and instruments as may be requisite and as may be reasonably demanded to carry out such tests efficiently.

(E) Rejection

If as a result of such inspection, examination or test of the Work the Employer/Employer's Representative shall decide that such Work is defective or not in accordance with the Contract he shall notify the Contractor accordingly stating in writing his objection and reasons therefore, the Contractor shall with all speed make good the defect free or ensure that the Work complies with the Contract.

Thereafter, if required by the Employer/Employer's Representative, the tests shall be repeated under the same terms and conditions and all

expenses borne by the Contractor.

All costs incurred by the Employer by the repetition of the tests or false calls shall borne by the Contractor. Any delay in delivery due to retest or false call shall not constitute a release of the Contractor for his responsibilities for delay.

(F) Commissioning

Commissioning shall be defined as those parts of the tests on completion which include the trial runs and operational tests to be carried out in order to put equipment into service under real operating conditions. Commissioning shall take place in accordance with instructions of the manufacturers of the relevant parts of equipment.

**64.2 Inspection and Test at Factory**

Whenever the Contractor is ready to carry out any such test and inspection, it shall give reasonable advance notice, including the place and time, to the Employer. The Contractor shall obtain from any relevant third party or manufacturer any necessary permission or consent to enable the Employer or its designated representative to attend the test / or inspection. Upon Contractor's such notification, the Employer shall notify the Contractor in writing of the identity of any representatives retained for these purposes. The Employer shall bear all its own costs and expenses incurred in connection with such attendance including, but not limited to, travelling and board and lodging expenses.

Inspection Schedule shall be finalized during Contract Negotiation. Following plant, equipment and material shall be witnessed and tested by the Employer's representatives at the manufacturer's factory before dispatching it to the Site.

ACSR Conductor

# SECTION - IX

## Contract Forms

This Section contains forms which, once completed, will form part of the Contract. The forms for Performance Security and Advance Payment Security, when required, shall only be completed by the successful Bidder after contract award.

Table of Forms

1) Letter of Intent…….....IX-2
2) Letter Of Acceptance…….IX-3
3) Contract Agreement……..IX-4
4) Performance Security….....IX-5
5) Advance payment Security……..…IX-6

# Letter of Intent

[on letterhead paper of the Employer]

Date: ... ……

To: ... .....name and address of the Contractor .....

Subject: ..... Issuance of letter of intent to award the contract .....

This is to notify you that, it is our intention to award the contract .....[insert date] .....for execution of the ..... [insert name of the contract and identification number, as given in the Contract Data/SCC] to you as your bid price ..... [insert amount in figures and words in Nepalese Rupees] as corrected and modified in accordance with the Instructions to Bidders is hereby selected as substantially responsive lowest evaluated bid.

Authorized Signature: ……

Name: ... ……..

Title: ……

# Letter of Acceptance

[on letterhead paper of the Employer]

Date: ……..

To: ..... ... name and address of the Contractor ……...

Subject:..... Notification of Award

This is to notify that your Bid dated .....date ……..for execution of the……..name of the contract and identification number, as given in the Contract Data/SCC …….... for the Contract price of Nepalese Rupees [insert amount in figures and words in Nepalese Rupees], as corrected in accordance with the Instructions to Bidders is hereby accepted in accordance with the Instruction to Bidders.

You are hereby instructed to contact this office to sign the formal contract agreement within 15 days with Performance Security as specified in the SCC consisting of a Bank Guarantee in the format included in Section IX (Contract Forms) of this Bidding Document.

The Employer shall forfeit the bid security, in case you fail to furnish the Performance Security and to sign the contract within specified period.

Authorized Signature: ……...

Name and Title of Signatory: ……

# Contract Agreement

THIS AGREEMENT made the .....day of …….. between……. name of the Employer …….. (hereinafter "the Employer"), of the one part, and ……name of the Contractor ……(hereinafter "the Contractor"), of the other part:

WHEREAS the Employer desires that the Works known as …….... name of the Contract .....should be executed by the Contractor, and has accepted a Bid by the Contractor for the execution and completion of these Works and the remedying of any defects in the sum of NRs ….....…..[insert amount of contract price in words and figures including taxes] (hereinafter "the Contract Price").

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement.
   (a) the Letter of Acceptance;
   (b) the Letter of Bid;
   (c) the Addenda Nos. ..... insert addenda numbers if any ……
   (d) the Special Conditions of Contract;
   (e) the General Conditions of Contract;
   (f) Bills of Quantities (BOQ);
   (g) the Specification;
   (h) the Drawings;
   (i) the Activity Schedules; and
   (j) [Specify if there are any other document]
3. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, 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 in accordance with the laws of Nepal on the day, month and year indicated above.

| | |
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| Signed by ……. for and on behalf the Contractor in the presence of | Signed by…….. for and on behalf of the Employer in the presence of |
| Witness, Name Signature, Address, Date | Witness, Name, Signature, Address, Date |

# Performance Security

(On letterhead paper of the 'A' class commercial Bank)

..... Bank's Name, and Address of Issuing Branch or Office .....

Beneficiary: ..... Name and Address of Employer …….....

Date: .....

Performance Guarantee No.:…….

We have been informed that ... ... [insert name of the Contractor] (hereinafter called "the Contractor") has been notified by you to sign the Contract No. .. .. [insert reference number of the Contract] for the execution of ... .. [insert name of contract and brief description of Works] (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guaranteeis required.At the request of the Contractor, we ... . [insert name of the Bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of ..... [insert name of the currency and amount in figures*] (... .. insert amount in words) such sum being payable in Nepalese Rupees, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the ... ..... . Day of ..... **, and any demand for payment under it must be received by us at this office on or before that date.

……

Seal of Bank and Signature(s)

**Advance Payment Security**

(On letterhead paper of the 'A' class commercial Bank)

**..... *Bank's Name, and Address of Issuing Branch or office*.....**
**Beneficiary: ..... *Name and Address of Employer***
**.....**
**Date: .....**
**Advance Payment Guarantee No.:.....**

We have been informed that . . . . . ***name of the Contractor***. . . . . (hereinafter called "the Contractor") has entered into Contract No. . . . . ***reference number of the Contract***. . . . . dated . . . .. . . .with you, for the execution of . . . . . ***name of contract and brief description of Works***. . . . .(hereinafter called "the Contract").

Furthermore, we understand that, according to the Conditions of the Contract, an advance payment in the sum . . . . . ***name of the currency and amount in figures****. . . . . (. . . . . ***amount in words***. .. . . ) is to be made against an advance payment guarantee. At the request of the Contractor, we . . . . . ***name of the Bank***. . . . . hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of . . . . . ***name of the currency and amount in figures****. . . . . (. . . . . ***amount in words***. . . . . ) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation under the Contract because the Contractor used the advance payment for purposes other than the costs of mobilization in respect of the Works.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Contractor as indicated in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate indicating that eighty (80) percent of the Contract Price has been certified for payment, or on the . . . day of . . . . . , . . . . .**, whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

. . . . . .
***Seal of Bank and Signature(s)***