

PAKISTAN RAILWAYS

REQUEST FOR PERPOSAL

BID DOCUMENTS

FOR

**Outsourcing Commercial Management of ZBCs of
Cargo Express (505 Up/506 Down) Trains**

From	To
Karachi City	Peshawar City via Sahiwal, Lahore, Lalamusa & Vice versa



19th May, 2023

CHIEF MARKETING MANAGER

Pakistan Railways, Headquarters Office,
Empress Road, Lahore

Ph. No. 042- 99201665

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SECTION -1: **Invitation for Bids**

TO:

SUBJECT: SELECTION OF CONTRACTORS FOR OUTSOURCING OF THE COMMERCIAL MANAGEMENT OF ZBCs BY PESHAWAR CARGO EXPRESS TRAIN (505 Up/506 DOWN).

In accordance with the advertisement on the subject published in the press as well as available on PR website, we now invite sealed bids from the interested parties for taking part in the competitive bidding for ZBCs by PESHAWAR CARGO EXPRESS (**505 UP/506 Down**) Train.

The procedure for the competitive bidding through sealed bids on the subject project is as under: -

- 1.1 Each bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the Technical Proposal.
- 1.2 The envelopes shall be marked as "FINANCIAL PROPOSAL" and "TECHNICAL PROPOSAL" in bold and legible letters to avoid confusion.
- 1.3 Initially, only the envelope marked "TECHNICAL PROPOSAL" shall be opened.
- 1.4 The envelope marked as "FINANCIAL PROPOSAL" shall be retained in the custody of the procuring agency (Pakistan Railway) without being opened.
- 1.5 Pakistan Railways shall evaluate the technical proposals in a prescribed manner in advance, without reference to the price and reject any proposal which does not conform to the specified requirements.
- 1.6 After the submission of technical bids, no amendment/change/alteration would be allowed.
- 1.7 After the evaluation and approval of the technical proposals, Pakistan Railways shall at a time within the bid validity period, publically open the financial proposals of the **technically accepted bids only**. The financial proposal of bids found technically non-responsive shall be returned unopened to the respective bidders.
 - (a) The financial proposal of bids shall be opened publically at the time, date and venue announced and communicated to the bidders in advance.
3. Bid documents containing the following are hereby issued to your firm for Submitting duly filled as per instructions specified in the Bid Documents:

General-1: General Information
General-2: Litigation History
Section-1 Invitation for Bids
Section 2: Instructions to Bidders (including Data Sheet)
Section 3: Conditions of Contract
Section 4: Terms of Reference
Section 5: Appendices
Section 6: Financial & Technical Proposal-Standard form

3. The Financial proposal must be accompanied by a Bid Security (in the form and amount specified in the Data Sheet) and all other documents as stated in the Bid Documents and must be delivered at the address stated in Bid Documents on **19th May 2023 up to 11.00 hours** or any extended date as advised through subsequent addendum, if any. Bids will be opened half an hour thereafter in the presence of Bidders or their representatives who choose to attend.

(Chief Marketing Manager)

P.R, HQ office Lahore
Phone 042-99201665
Fax No. 042-92201759

General Information – Form General -1

The applications should contain the following documents with the application form:

1. Name of Individual/Firm/Party
2. Contact person's details
3. The list of Directors, if any and the business address.
4. Firm/Company registration certificate.
5. Present business.
6. Telephone & FAX, E-mail & website
7. Bank statement for the last three years.
8. Income Tax returns for the last three years alongwith Income Tax number NTN.
9. Partnership deed, if any.
10. Experience certificate in the field of transportation General / Cargo Parcel.
11. Affidavit indicating that individual/party/firm is never blacklisted by any Government Department or Bank.
12. Affidavit indicating that individual/party/firm is not under litigation against Pakistan Railways in any court of law.
13. Copy of CNIC.
14. Complete mailing address.
15. P.R. may call any other information whenever required.
16. The bidders are required to provide accurate information on any litigation and or arbitration, arising out of the assignments completed or in progress over the last five years in the manner as prescribed in the Form General-2.
17. No default certificate.
18. Power of Attorney in terms of authorized representative to sign the Bid documents.

Section 2: Instructions to Bidders.**Definitions**

- (a) "Government of Pakistan" means the Government of Pakistan and all its associated departments, agencies, autonomous/semi- autonomous bodies, boards, universities and similar other organizations.
- (b) "Client" means Chief Marketing Manager, Pakistan Railways, Headquarter Office, Lahore. The Deputy Chief Marketing Manager, (representative of Client) will sign the agreement with selected Bidder on behalf of the Client.
- (c) "Bidders" or "Contractor" means any entity / firm / Joint venture of firms that may under take the commercial management of Peshawar cargo express train (505up/506down) under the Agreement.
- (d) "Agreement" means the Agreement signed by the Client or his representative and the Contractor and all the attached documents.
- (e) "Data Sheet" means such part of the Instructions to Bidders used to reflect specific conditions.
- (f) "Instructions to Bidders" means the document which provides Bidders with all information needed to prepare their Bids.
- (g) "Personnel" means professionals and support staff proposed / provided by the Bidders to perform the services.
- (h) "Assignment" means the work to be performed by the Contractor pursuant to the Agreement.
- (i) "Terms of Reference" (TOR) means the document included in the BID which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Client and the Contractor.

1. **Introduction**

- 1.1 The Client named in the **Data Sheet** will select a Contractor in accordance with the method of selection specified in the Data Sheet.
- 1.2 The Bidders are invited to submit a Bid for the assignment named in the Data Sheet. The Bid will form the basis for a signed Agreement with the selected Contractor.
- 1.3 Contractors should familiarize themselves with assignment conditions and take them into account in preparing their Bids. To obtain firsthand information on the assignment, Bidders are encouraged to visit the sites before submitting a Bid. Contractor should contact the Client's representative named in the Data Sheet to obtain information regarding the assignment. Bidders should ensure that the official is informed well- ahead of time in case they wish to visit the Client.
- 1.4 Bidders shall bear all costs associated with the preparation and submission of their Bids. The Client is not bound to accept any Bid, and reserves the right to annul the selection process at any time prior to Agreement award, without thereby incurring any liability to the Bidders.

Fraud and Corruption

- 1.5 The Pakistan Railways requires Bidders participating in its projects to adhere to the highest ethical standards, both during the selection process and throughout the execution of an agreement. In pursuance of this policy Pakistan Railways:
 - (a) Defines, for the purpose of this paragraph, the terms set forth below:
 - (i) "Corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the selection process or in agreement execution;
 - (ii) "Fraudulent practice" means a misrepresentation or omission of facts in order to influence a selection process or the execution of agreement;
 - (iii) "Collusive practices" means a scheme or arrangement between two or more Bidders with or without the knowledge of the Client, designed to establish prices at artificial, noncompetitive levels;
 - (iv) "Coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of agreement.
 - (b) Without prejudice to any other remedy available under the law the client will reject a Bid for award if it determines that the Bidders recommended for award has, directly or through an

- agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the agreement in question;
- (c) will sanction a Bidder, including declaring the Bidder ineligible, either indefinitely or for a stated period of time, to be awarded a Government of Pakistan agreement if at any time it determines that the Bidder has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a Government of Pakistan agreement; and
 - (d) Will have the right to require that a provision be included in the contract requiring Bidders to permit the Government of Pakistan to inspect their accounts and records and other documents relating to the submission of Bids and agreement performance, and have them audited by auditors appointed by the Government of Pakistan.

Only One Bid

- 3.7 Each Bidder can submit only one Bid. If a Bidder submits or participates in more than one Bid, such Bids shall be disqualified.

Bid Validity

- 3.8 The **Data Sheet** indicates how long Bidders' Bid must remain valid after the submission date. In exceptional circumstances, prior to expiry of the original bid validity period, the Client may request that the bidders extend the period of validity for a specified additional period which shall in no case be more than the original bid validity period. The request and the responses thereto shall be made in writing. A bidder may refuse the request for which his Bid Security will not be forfeited. A bidder agreeing to the request will not be required or permitted to modify his bid, but will be required to extend the validity of his Bid Security for the period of the extension.

2. Clarification and amendment of bid.

- 2.1 Bidders may request a clarification regarding any part of the Bid documents up to the number of days indicated in the Data Sheet before the Bid submission date. Any request for clarification must be sent in writing, or by standard electronic means to the Client's address indicated in the Data Sheet. The Client will respond in writing, or by standard electronic means. Should the Client deem it necessary to amend the Bid Documents as a result of a clarification, it shall be done following the procedure under Para. 2.2.
- 2.2 At any time before the submission of Bid, the Client may amend the Bid Documents by issuing an addendum in writing or by standard electronic means. The addendum shall be sent to all Bidders and will be binding on them. Bidders shall acknowledge receipt of all amendments. To give Bidders reasonable time in which to take an amendment into account in their Bids the Client may, if the amendment is substantial, extend the deadline for the submission of Bids.

3. Preparation of Bids

- 3.1 The Bid, as well as all related correspondence exchanged by the Bidders and the Client, shall be written in the language (s) specified in the Data Sheet.
- 3.2 In preparing their Bids, Bidders are expected to examine in detail the site conditions and the documents comprising the Bid. Material deficiencies in providing the information requested may result in rejection of a Bid.

4. Bid Security

- 4.1 Each Bidder shall furnish, as part of his **Bid (Financial)**, a Bid Security in the amount stipulated in the Data Sheet.
- 4.2 The Bid Security shall be, at the option of the Bidder, in the form of Deposit at Call or bank guarantee issued by a Scheduled Bank of Pakistan in favour of the FA&CAO/Revenue of Pakistan Railways valid for a period 28 days beyond the Bid Validity date. (Standard Format of Bank Guarantee for Bid Security is attached as Appendix-A)
- 4.3 Any Bid not accompanied by an acceptable Bid Security shall be rejected by the Client as non-responsive.
- 4.4 The Bid Securities of unsuccessful Bidders will be returned as promptly as possible, but not later than 28 days after the expiration of the period of Bid Validity.
- 4.5 The Bid Security of the successful Bidder will be returned when the Bidder will furnish the required Performance Guarantee and sign the Contract Agreement.
- 4.6 The Bid Security may be forfeited.
 - (a) If the Bidder withdraws his Bid during the period of Bid Validity
 - (b) In the case of successful Bidder, if he fails within the specified time limit to:
 - (i) furnish the required Performance Guarantee; or
 - (ii) sign the Contract Agreement.

5. Performance Guarantee

The successful Bidder shall deposit performance guarantee valid throughout the timeframe of the agreement, of the amount as stipulated in the data sheet in the form of Bank Guarantee issued in favour of FA&CAO/Revenue from any scheduled bank, which will remain in the custody of FA&CAO/Revenue during the currency of the agreement. Railway administration reserves the right to en-cash the performance guarantee in case of violation of the any clause of the Contract.

6. **Staff and Machinery**

6.1 The Bidders are required to provide the list / details of staff / personnel to be deployed for this assignment using Standard Form attached as "**Appendix-C**".

6.2 The Bidders are required to provide the list / details of machinery / equipment to be utilized for this assignment using Standard Form attached as "**Appendix-D**".

7. **Work Plan and Methodology.**

The Bidders are required to:

7.1 Provide detailed work plan indicating number of workers / personnel to be deployed, in one shift of eight hours, for each specified area / location described in Technical Proposal.

7.2 Provide detailed work plan indicating number and type of machinery to be deployed, in one shift of eight hours, for each specified area / location described in Technical Proposal.

7.3 Define the mode and methodology of performing the job for each specified area and location. Methodology must spell out the type and frequency.

7.4 Provide the details of storage facility required to house the equipment and space required for supervisors as per Standard Format attached as "Appendix-E".

8. **Technical Proposal**

The Technical Proposal shall be prepared keeping in view the required standards as stipulated in the Evaluation Criteria (Appendix-I).

9. **Financial Proposal**

The Financial Proposal shall be prepared using the attached Standard Forms (Section 6). It shall contain the offer of the bidder as regards the amount to be paid to the Client in PKR.

10. **Payment**

The payment will be made as per the relevant clause of Conditions of Contract and TOR.

11. **Taxes**

The contractor shall pay any/all taxes, levies etc. prevalent and for future as fixed/determined by the Federal/Provincial Governments from time to time, including but not limited to withholding/Advance Tax, Sales Tax etc. Withholding Tax (Advance) shall be recovered under section 236-A of Income Tax Ordinance 2001. The Contractor shall pay round trip advance payment alongwith applicable withholding/Advance Tax to the concerned Station Manager/Station Master.

12. **Submission and Receipt of Bids**

12.1 No bidder shall be allowed to alter or modify his bid after the bids have been opened. However, the client may seek, in writing, and accept clarifications to the bid that do not change the substance of the bid. The bidder's response to such clarification shall also be in writing.

- 12.2 An authorized representative of the Bidders shall initial all pages of the original Bid. The authorization shall be in the form of a written power of attorney on **stamp paper of Rs.100/-** accompanying the Bid.
- 12.3 The Bids shall be in the number of copies indicated in the Data Sheet. All required copies of the Bid are to be made from the original. If there are discrepancies between the original and the copies, the original governs.
- 12.4 The original and all copies of the Bid shall be placed in a sealed envelope clearly marked "**BID DOCUMENTS**". The envelope should also bear the address and title of the Assignment viz outsourcing the commercial management of Peshawar Cargo Express (505 Up/506 Dn) between Karachi City to Lahore/ Rawalpindi/ Peshawar City via Sahiwal. The Client shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Bid rejection.
- 12.5 The Bids must be sent to the address/addresses indicated in the Data Sheet and received by the Client not later than the time and the date indicated in the Data Sheet, or any extension granted thereof. Any Bid received by the Client after the deadline for submission shall be returned unopened.

13. **Bid Opening**

13.1 **Procedure for opening of bids**

- (b) The client will open the Bids in the presence of Bidders or their authorized representatives who choose to attend, at the time date and location stipulated in the **Data Sheet**.
- (ii) The Bidders or their authorized representatives who are present shall sign a register evidencing their attendance.
- (iii) The Bidders name, total Bid price, any discounts, the presence or absence of Bid Security and such other details as the Client may consider appropriate, will be announced by the Client at the opening of Bids. Conditional Bids will not be accepted.

14. **Examination of Bids and Determination of Responsiveness**

- 14.1 The Client will determine whether each Bid is in line with the evaluation criteria laid down in the Bid documents and is substantially responsive to the requirements of the Bidding Documents (Appendix-F) or not.
- 14.2 A substantially responsive bid is one which (i) meets the eligibility criteria; (ii) has been properly signed; (iii) is accompanied by the required Bid Security; and (iv) conforms to all the terms and conditions of the Bidding Documents, without material deviation or reservation. A material deviation or reservation is one (i) which affects in any substantial way the scope, quality or performance of the

Services; (ii) which limits in any substantial way, inconsistent with the Bidding Documents, the Client's rights or the bidder's obligations under the Contract; or (iii) adoption/rectification whereof would affect unfairly the competitive position of other bidders presenting substantially responsive bids.

- 14.3 If a Bid is not substantially responsive, it will be straightaway rejected by the Client without giving any further reason.

15. **Correction of Errors**

Bids determined to be substantially responsive and explicit will be checked by the Client for any typographical/arithmetic errors. Errors will be corrected by the Client as follows:

- (a) Where there is a discrepancy between the amounts in figures and in words, the amount in words will govern; and

16. **Availability of Staff / Personnel and Machines / Equipment's**

- 16.1 Having selected the Bidder on the basis of, among other things, a consideration of proposed personnel/staff and machines / equipment's, the Client expects to execute an Agreement on the basis of the staff / personnel and machines / equipment's specified in the Bid by the Bidder. Before agreement, the Client will require assurances that the proposed staff / personnel and machines / equipment's will be actually available (Appendix-C&D). The Client will not consider substitutions during agreement negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable. If this is not the case and if it is established that staff / personnel and machines / equipment's were offered in the Bid without confirming their availability, the Bidder may be disqualified. Any proposed substitute shall have equivalent or better qualifications / experience for staff and better performance for machines than the original described in bid submitted by the Bidder.

17. **Notification of Award.**

- 17.1 Prior to expiration of the period of bid validity prescribed by the Client, the Client will notify the successful bidder in writing ("**Letter of Acceptance**") that his Bid has been accepted. This letter shall specify the sum which the Contractor will pay to the Client in consideration of the outsourced commercial management of Peshawar cargo express train (505up/506down) undertaken by the Contractor as prescribed by the Contract.
- 17.2 No Negotiation with the bidders shall be permitted; however, Client may have clarification meetings to get any item clarification.
- 17.3 The notification of award and its acceptance by the bidder will not constitute the formation of the Contract. The signing of the agreement by the contractor and client shall constitute the formation of contract.
- 17.4 Upon issuance of acceptance letter to the successful bidder, the

Client will promptly notify the other bidders that their Bids have been unsuccessful and return their bid security, but not later than 28 days after the expiration of the period of the Bid validity.

17.5 **Pre Bid Conference.**

A pre bid conference / meeting will be held to discuss the modalities of the Commercial Outsourcing of (505 Up / 506 Dn) Peshawar Cargo Express.

18. **Award of Agreement**

After completing the technical negotiations (if any) or sorting any clarifications the Client shall award the Agreement to the selected Bidder. The Agreement will be executed based on Standard Format of Contract Agreement attached as Appendix – G.

19. **Commencement of Assignment**

The Bidders, whose bid is accepted, will be required to commence the Assignment within the date/days, specified in the Letter of Acceptance.

Instructions to Bidders DATA SHEET

Paragraph Reference	Description								
Definition (b) Section-2	<p>Name of the Client: Chief Marketing Manager, Pakistan Railways, Headquarters Office, Empress Road, Lahore +92-42-99201758</p> <p>Method of Selection. The Client will determine whether each bid is substantially responsive to the requirements of the Bidding Documents or not. If a bid is not substantially responsive, it will be rejected by the Client, and may not subsequently be made responsive by correction or withdrawal of the non-conforming deviation or reservation. The assignment will be awarded to the highest Bidder, if he fulfills the requirements.</p>								
4.4 Section-4	<p>Name of the assignment: Station wise number of additional ZBCs to be operated with Peshawar Cargo Express Train:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1) Karachi City to Lahore</td> <td style="text-align: right;">= 10 ZBCs</td> </tr> <tr> <td>2) Karachi City to Rawalpindi</td> <td style="text-align: right;">= 05 ZBCs</td> </tr> <tr> <td>3) Karachi City to Peshawar City</td> <td style="text-align: right;">= 10 ZBCs</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: right;">=(25) ZBCs</td> </tr> </table>	1) Karachi City to Lahore	= 10 ZBCs	2) Karachi City to Rawalpindi	= 05 ZBCs	3) Karachi City to Peshawar City	= 10 ZBCs	Total	=(25) ZBCs
1) Karachi City to Lahore	= 10 ZBCs								
2) Karachi City to Rawalpindi	= 05 ZBCs								
3) Karachi City to Peshawar City	= 10 ZBCs								
Total	=(25) ZBCs								
Definition (b) Section-2	<p>Client's Representative Deputy Chief Marketing Manager Pakistan Railways, Headquarters office, Empress Road, Lahore Phone: + 92 42 99201665/042-99201805</p>								
1.8 Section 2	Bid will remain valid for one hundred twenty (120) days after the submission date.								
2.1 Section 2	Clarifications may be requested not later than seven (7) days before the submission date								
1.3 Section 3	Bids shall be submitted in English language only.								
4.1 Section-2	<p>Bid Security The bidder shall furnish 2% of the annual bid amount as bid security.</p>								
4.4 of Section 4	<p>Bench Mark per wagon ZBC (60 tonne) Station wise</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Karachi City to Lahore (CC-60 Tonnes)</td> <td style="text-align: right;">= Rs. 330,325</td> </tr> <tr> <td>Karachi City to Rawalpindi (CC-60 Tonnes)</td> <td style="text-align: right;">= Rs. 451,005</td> </tr> <tr> <td>Karachi City to Peshawar City (CC-60 Tonnes)</td> <td style="text-align: right;">= Rs. 545,115</td> </tr> </table>	Karachi City to Lahore (CC-60 Tonnes)	= Rs. 330,325	Karachi City to Rawalpindi (CC-60 Tonnes)	= Rs. 451,005	Karachi City to Peshawar City (CC-60 Tonnes)	= Rs. 545,115		
Karachi City to Lahore (CC-60 Tonnes)	= Rs. 330,325								
Karachi City to Rawalpindi (CC-60 Tonnes)	= Rs. 451,005								
Karachi City to Peshawar City (CC-60 Tonnes)	= Rs. 545,115								
5.1 Section-2	<p>Performance Security 3% of Annual Contract Amount per ZBC</p>								
11. Section-3	Applicable advance withholding/advance Tax or any tax imposed by the Federal or Provincial authorities during the currency of the agreement shall be paid by the Contractor.								
12.3 Section-2	Bidder must submit one original and one copy of the complete Bid.								
12.5 Section-2	<p>Address for Submission of Bid: Chief Marketing Manager Pakistan Railways, Headquarters office, Empress Road, Lahore Phone: + 92 42 - 99201665</p> <p>Bids must be submitted not later than the following date and time: 19th May, 2023 11:00 hours in the Committee Room No.3, P.R. H.Q. Office, Lahore.</p>								
1.7	The " Financial Bids " of only technically accepted bids will be opened in committee room of Pakistan Railways Headquarters Office, Lahore. The date of opening of financial bids will be								

Section 1	intimated to the technically successful bidders.
19. Section-2	The successful bidders will run ZBCs with Peshawar Cargo Express within the timeframe given in the Letter of Acceptance as per requirements under clause 17.4 of Para 17 of Notification of Award.

Section 3: Conditions of Contract (COC)

1. Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- (a) "Applicable Law" means the laws and any other instruments having the force of law in the Islamic Republic of Pakistan, as those may be issued and in force from time to time;
- (b) "Contract" means the Contract signed by the Parties, to which these Conditions of Contract are attached, together with all the documents listed in the Contract;
- (c) "Personnel" and "Staff" means persons hired by the Contractor and assigned to the performance of the Services or any part thereof;
- (e) "Services" means the work to be performed by the Contractor pursuant to this Contract;
- (f) "Party" means the Client or the Contractor, as the case may be, and "Parties" means both of them;
- (i) "Third Party" means any person or entity other than the Client or Contractor.

1.1 Law Governing the Contract

This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

1.2 Court of competent Jurisdiction

Any dispute, that may arise between the parties hereto in connection with the provisions hereof, courts at Lahore shall have exclusive jurisdiction to try any such matters subject to section 10 of this Agreement, this provision shall survive the tenure of this agreement.

1.3 Language

This Contract has been executed in the English language which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All the reports and communications shall be in the English language.

1.4 Notices

Any notice, request, or consent made pursuant to this Contract shall be in writing and shall be deemed to have been made when delivered in person to an Authorized Representative of the Party to whom the communication is addressed, or when sent by registered mail or facsimile to such Party at the address of the Authorized Representative. A Party may change its address for notice by giving the other Party notice of such change.

1.5 Location

The Services shall be performed at such locations as are specified in Sections, Terms of Reference (TOR) and, where the location of a particular task is not so specified, at such locations as mutually agreed by the Parties.

1.6 Authorized Representatives

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the Client or the Contractor shall be taken or executed by the Authorized Representatives duly notified by both parties after signing of the agreement. However, the intended bidder shall have to nominate their representative(s) on official stamp paper of Rs.100/-

1.7 Taxes

The Contractor, and their Personnel shall pay such taxes, fees, and other impositions as may be levied under the Applicable Law of Pakistan from time to time.

1.8 Relation between the Parties

Nothing contained hereinafter, shall be construed as establishing a relation of

master and servant or of principal and agent as between the Client and the Contractor. The Contractor, subject to this Contract, has complete charge of Personnel, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

1.9 Headings

The headings shall not limit, alter or affect the meaning of this Contract.

2. COMMENCEMENT, COMPLETION, MODIFICATION, AND TERMINATION OF CONTRACT

2.1 Commencement of Services

The commencement date of services will be as notified by the Client and as accepted by the Contractor through Letter of Acceptance / Letter of Award.

2.2 Expiration of Contract

Unless terminated earlier pursuant to Sub-Clause 2.6, this Contract shall expire when, pursuant to the provisions hereof, the expiry date of the Agreement is reached.

2.3 Duration of Contract

Initially, duration of the Contract will be for a period of three (03) years from the date of commencement and extendable for another period of one year subject to satisfactory performance of the Contractor and mutual consent of both parties.

2.4 Escalation in Freight Charges

There will be 05% increase in second year of the contract (on existing rate per ZBC) or across the board increase, whichever is higher. There will be 05% increase in third year of the contract (on existing rate per ZBC) or across the board increase, whichever is higher. There will be 07% increase in fourth year of the contract (on existing rate of per ZBC) or across the board increase if extended for 4th year, whichever is higher. However, if Pakistan Railways increase "across the board" the freight rates in first year, the same shall be levied. However, if the across the board increase is higher than the annual increase (05%, 05% & 07%) then there will be proportionate increase levied.

2.5 Force Majeure

2.5.1 Definitions

- (a) A "Force Majeure Event" shall mean any event or circumstance or combination of events or circumstances that is beyond the reasonable control of a Party and adversely affects the performance by the party of its obligations under or pursuant to this agreement, provided, however, that such material and adverse effect could not have been prevented, overcome, or remedied in whole or in part by the affected party through the exercise of diligence and reasonable care, it being understood and agreed that reasonable care includes acts or activities to protect the Railway Equipment from a casualty event, which are reasonable in light of the likelihood of such event, the probable effect of such event if it should occur, and the likely efficacy of the protection measures. "Force Majeure Events" hereunder shall include each of the following events and circumstances, but only to the extent that each satisfies the above requirements:
- (i) Political events that occur inside or directly involve Pakistan ("Pakistan Political Force Majeure Events") including, but not limited to:
 - (ii) Any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riots, insurrection, civil commotion, act or campaign of terrorism, or sabotage;
 - (iii) Strikes, works to rule or go-slows that extend beyond the P.R transportation operations, are widespread or nationwide, or that are of a political nature, such as, by way of example and not limitation, labour actions associated with or directed against a Pakistan political party, or those that are directed against the P.R as part of a broader pattern of labour actions against P.R or facilities.

2.5.2 Other Events

Other events beyond the reasonable control of the affected party ("Other Force

Majeure Events"), including but not limited to:

- i) Uncontrollable events, including, but not limited to; Lightning, earthquake, flood, storm;
- (ii) Explosion or chemical contamination in which case it shall be a Pakistan Political Force Majeure Event;
- (iii) Epidemic or plague;

2.5.3 Duty to Mitigate

The affected Party shall use all reasonable efforts to mitigate the effect of a Force Majeure event, including, but not limited to the payment of all reasonable sums of money by or on behalf of the affected Party, which sums are reasonable in light of the likely efficacy of the mitigation measures.

2.5.4 No Breach of Contract

The failure of a Party to fulfill any of its obligations under the Contract shall not be considered to be a breach or default under this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event; (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract; and (b) has informed the other Party in writing not later than fifteen (15) days following the occurrence of such an event.

2.6 Termination

2.6.1 By the Client

The Client may terminate this Contract by not less than sixty (60) days written notice of termination to the contractor, to be given after the occurrence of any of the events specified in paragraphs (a) through (c) of this Sub-Clause 2.6.1 and forty-five (45) days in the case of event referred to in paragraph (d) to (g). In case of outsourcing of train or non-payment of license fee PR, as referred in paragraph (g) reserves the right to terminate the contract of 505Up/ 506Dn) at any time after serving one month notice to the party.

- (a) if the Contractor does not remedy a failure in the performance of his obligations other than financial obligations under the Contract, within thirty (30) days or any other time line specified by the Client in writing after being notified;
- (b) Failure to commence operations within 15 days from the date of signing of contract.
- (c) if the Contractor becomes (or, if the Contractor consists of more than one entity, if any of their Members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;
- (d) If, the Contractor fails to comply with any final decision reached as a result of arbitration proceedings pursuant to article 10 hereof;
- (e) If, the Contractor submits to the Client a statement which has a material effect on the rights, obligations or interests of the Client and which the Contractor knows to be false;
- (f) If, as the result of Force Majeure, the Contractor is unable to perform a material portion of the Services for a period of not less than sixty (60) days;
- (g) If, Railways board decide to terminate the Agreement.

2.6.2 By the Contractor

The Contractor may terminate the contract, after completion of six months of operation this Contract, by not less than sixty (60) days written notice to the Client, such notice to be given after the occurrence of any of the events specified as under but not prior to completion of six months after start of train operation:

- (a) if the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Contractor may have subsequently approved in writing) following the receipt by the Client of the Contractor' notice specifying such breach.
- (b) or the Contractor fails to pay any amount due from him.

2.6.3 Payment upon Termination

Upon termination of this Contract pursuant to Sub-Clauses 2.6.1 or 2.6.2, the contractor shall make the following payments to the client within 10 days:

- (a) Remuneration for Services satisfactorily performed prior to the effective date of termination. Effective date of termination for purposes of this Sub-Clause means the date when the prescribed notice period would expire;

2.6.4 Disputes about Events of Termination

If, either Party disputes whether an event specified in paragraphs through (f) of Sub-Clause 2.6.1 or in paragraphs (a) of Sub-Clause 2.6.2 hereof has occurred,

such Party may, within forty-five (45) days after receipt of notice of termination from the other Party, refer the matter to arbitration pursuant to Article 10 hereof, and this Contract shall not be terminated on account of such an event except in accordance with the terms of any resulting arbitral award.

3. OBLIGATIONS OF THE CONTRACTOR**3.1 General****3.1.1 Standard of Performance**

The Contractor shall perform the Services and carry out his obligations with all due diligence, efficiency, and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe methods. The Contractor shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with Sub-Contractor or third parties.

3.1.2 Law Governing Services

The Contractor shall perform the Services in accordance with the Applicable Law and shall take all practicable steps to ensure that the Personnel of the Contractor also comply with the Applicable Law.

3.2 Confidentiality

The Contractor and his Personnel shall not during the term or after the expiration of this Contract, disclose any proprietary or confidential information relating to the assignment, the Services, this Contract, or the Client's business or operations without the prior written consent of the Client.

3.3 Contractor' Actions Requiring Client's Prior Approval

The Contractor shall obtain the Client's prior approval in writing before replacement or removal of any machinery / equipment from the site.

3.4 Damage to Persons and Property

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

- (a) death of or injury to any person, or
- (b) loss of or damage to any property (other than the Works), which may arise out of or in consequence of the rendering the services and the remedying of any defects therein, and against all claims, proceedings, damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto.

3.5 Accident or Injury to Workmen

The Client shall not be liable for or in respect of any damages or compensation payable to any workman or other person in the employment of the Contractor or any Subcontractor. The Contractor shall indemnify and keep indemnified the Client against all such damages and compensation, other than those for which the Client is liable and against all claims, proceedings, damages, costs, charges, and expenses whatsoever in respect thereof or in relation thereto.

3.6 Compliance with Statutes, Regulations

The Contractor shall conform in all respects, including by the giving of all notices and the paying of all fees, with the provisions of:

- (a) any National or State Statute, Ordinance, or other Law, or any regulation, or bye-law of any local or other duly constituted authority in relation to the execution and completion of the Services and the remedying of any defects therein, and
- (b) The rules and regulations of all public bodies and companies whose property or rights are affected or may be affected in any way by the Services, and the Contractor shall keep the Client indemnified against all penalties and liability of every kind for breach of any such provisions.

3.7 Safety Precautions

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

4. CONTRACTOR PERSONNEL.

4.1 General

The Contractor shall employ and provide such qualified and experienced Personnel as are required to carry out the Services.

4.2 Description of Personnel

Prior to commencement of the services the Contractor will provide list of staff / personnel to be deployed at site(s) indicating the name, the title, CNIC number, present residential address, activities of job description and estimated period of engagement in the carrying out of the Services.

4.3 Medical Checkup of Contractor Employees

If considered necessary the employees of Contractor can be directed for medical checkup by a designated doctor of Pakistan Railways. In case of any serious illness, on the recommendation of doctor, the Contractor will be directed to remove such employee from the site.

4.4 Removal and/or Replacement of Personnel

If Contractor removes / replaces or considers removing / replacing any personnel due to his own reasons the Client shall be informed accordingly. The details of new personnel so employed shall be conveyed to the Client pursuant to Sub Clause 4.2.

4.5 Employment of Persons in the Service of Others

The Contractor shall not recruit his staff and labour from amongst the persons in the services of the Client.

5. OBLIGATIONS OF THE CLIENT.

5.1 Access to Land

- (a) The Client will provide required offices and storage space, if available at originating and destination stations.
- (b) The contractor will utilize space for storage of the goods / items for loading / unloading in ZBCs with following options:
 - i) The contractor will arrange his / her own storage space out of the Railway premises
Or
 - ii) The contractor will utilize the existing space, if already allotted
Or
 - iii) Share the space of other allotted already in agreement with PR with mutual consent
Or
 - iv) The contractor will have the choice to construct Godown on BOT basis at forwarding / destination stations subject to availability of space and approval of concerned DS's on usual terms and conditions.
- (c) The client shall charge rent @ Rs 30/- per square foot per month for covered area for office and covered Godown space. The contractor shall pay Rs.15/- per square foot per month for open space used for stacking of consignments. The concerned Divisional Superintendents will fix space and realize these charges in addition to electricity and water charges. Such payment shall be made on monthly basis in advance up to 5th of each month. Twenty percent (20%) penalty shall be levied in case payment is made up to 15th of each month.
- (d) In consideration of the outsourced commercial management of Peshawar cargo express (505up/506down) trains to the contractor under this contract, the contractor shall make to the client such payments and in such manner.

6. PAYMENTS TO THE CLIENT

6.1 Payment to the client

In consideration to the outsourcing the commercial management of Peshawar cargo express (505up/506down) train to the contractor under this contract, the

contractor shall make to the client such payment and in such manner as is provided by clause 6 of this contract.

6.2 Mode of Billing and Payment

Payments in respect of the outsourcing of the Commercial Management of Peshawar Cargo Express train by Pakistan Railways shall be made by the contractor as follows:

- i. The contractor is required to pay Pakistan Railways the amount on account of booking of 60-ton wagon (ZBC) in advance with the Station Manager/Station Master concerned before departure of Peshawar Cargo Express.
- ii. The Contractor is also required to pay Pakistan Railways 10% Withholding/Advance Tax in advance alongwith freight of the ZBC to the concerned Station Manager/Station Master before departure of the Peshawar Cargo Express.
- iii. The successful bidder for ZBC from Peshawar City to Karachi and Rawalpindi to Karachi, will be awarded 20% discount on the freight charges for the first (1st) month of operation ONLY, from the date of start of train operation.

7. FAIRNESS AND GOOD FAITH

7.1 Good Faith

The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization to the objectives of this Contract.

7.2 Operation of the Contract

The Parties recognize that it is impractical in this Contract to provide for every contingency which may arise during the life of the Contract, and the Parties hereby agree that it is their intention that this Contract shall operate fairly as between them, and without detriment to the interest of either of them, and that, if during the term of this Contract either Party believes that this Contract is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness, but on failure to agree on any action pursuant to this Sub-Clause shall give rise to a dispute subject to arbitration in accordance with Clause 8 hereof.

8. SETTLEMENT OF DISPUTES

8.1 Amicable settlement

8.2 Day to Day Committee

The day to day committee comprising DTO, DME and DCO of divisions will monitor the operations of the trains on daily basis, this committee will be supervised by the concerned Divisional Superintendents. Any dispute arising out of pursuant to operation/implementation of the agreement, matter shall be referred to CMM who will forward it to the Dy. POs committee.

8.3 DY; POs Committee

DY. POs committee comprising of DY.CMM, DY:CCM (M) and DY. COPS/C or DY. COPS/TT along with two representatives of Party No.2 will endeavor to solve the issue within fifteen (15) days, otherwise case shall be referred to Dispute Resolution Level-1.

9: Dispute Resolution

9.1 Dispute Resolution Level .1

Any dispute between the parties as to the matter arising under, in relation to, or in pursuance of, this contract shall be referred to CMM, who shall decide the matter within seven (07) days. In case the Dispute Resolution Level-1 fails to resolve the dispute within stipulated time, the matter shall be referred to Dispute Resolution Level-2.

9.2 Dispute Resolution Level .2

In case the dispute remains unresolved at level 1, the matter may be referred to CEO/Sr.GM who shall decide the matter within fifteen (15) days. If the dispute remains unresolved, then the matter shall be referred to arbitration under clause 10 of this agreement.

10 Arbitration:

Any dispute between the Parties as to matters arising under, in relation to and pursuant to this Contract which cannot be settled amicably **within thirty (30) days** may be submitted by either Party for settlement in accordance with the provisions of the Arbitration Act, 1940 (Act No. X of 1940) and Rules made hereunder and any statutory modifications thereto. Services under the Contract shall, if reasonably possible, continue during the arbitration proceedings and no payment due to or by Party No.1 shall be withheld on account of such proceedings. For this purpose of arbitration, the Secretary / Chairman Pakistan Railways shall be the sole arbitrator for dispute settlement and his decision shall be final and binding upon both parties. The matters that shall be governed and construed under Arbitration laws of Pakistan but not limited to matters of validity, construction, effect, performance and remedies are as follow:

- (i) The venue of arbitration proceedings will be at Lahore, Pakistan, and the parties hereby agree to be bound by any final decision or award of the arbitrator duly appointed by them.
- (ii) Any arbitration award made in such arbitration proceedings will be final and binding on both the parties hereto and will be enforceable in any court of Pakistan having jurisdiction over the matter.
- (iii) During the course of arbitration proceedings both the parties hereto may continue to perform their respective obligations.
- (iv) The cost of arbitration will be borne by one party or both the parties as determined in the award.

11. **Indemnity by Party No.2**

Party No. 2 shall indemnify and keep Party No.1 indemnified at all times against all losses incurred by Party No.1 as consequence of:

- 11.1 Any issue, claim or dispute which may arise during the course of this Agreement of Peshawar cargo express (505up/506down) Train and Party No. 2, and/or with any other party having contractual obligations with Party No. 2 during the Term and Part No.1 shall not be responsible for any costs, consequential or indirect losses, third party injuries, damages and /or any legal obligations and relations that may exist between Party No.2 and a third party.
- 11.2 Any loss or damage to property (including, without limitation, any Party No.1's assets).
- 11.3 Any breach of statutory duty arising under applicable law: and
- 11.4 Any other claim, action, charge, cost, demand, or expense (including without limitation, any legal fees or cost) arising because of the performance or non-performance of any Project Deliverable.
- 11.5 Party No.1 shall not be liable for or in respect of any damages or compensation payable to any workman or other person in the employment of Party No.2. Party No.2 shall indemnify and keep indemnified Party No.1 against all such damages and compensation, other than those for which Party No.1 is liable and against all claims, proceedings, damages, costs, charges, and expenses whatsoever in respect thereof or in relation thereto.

12. **Limitation of Liability**

Client shall in no event be liable for any indirect, special, exemplary accidental or consequential loss or damage or for any loss of profits or loss of revenue suffered by the contractor in any manner whatsoever contracted with this agreement

Section 4: Terms of Reference (TOR)

4.1. **Background**

Pakistan Railways intends to outsource the Commercial Management of the Peshawar Cargo Express Train 505Up/506Dn plying between Karachi City to Lahore/ Rawalpindi/ Peshawar City and vice versa twice a week (Monday to Saturday) every week except Sunday and Gazatted Holiday or any Local Holiday in Karachi or other stations mentioned in data sheet where markets / trading centers are closed as per Government notification.

4.2. **Objective**

These TORs are for the guidance of potential Bidders willing to take up the project and provide the services in accordance with the standards laid down in the succeeding clauses.

4.3 **Proposed Business**

Each contractor is required to place bid for a minimum of a group of 05 ZBCs, per destination station, in same bidding process for Outsourcing the commercial management of Peshawar cargo express trains (505up/506down) mentioned in Clause 4.1 with the following salient features:

4.3.1 **Salient Features of ZBCs of Peshawar Cargo Express Train:**

- i) Karachi City to Lahore = 10 (ZBCs)
 - ii) Karachi City to Rawalpindi = 05 (ZBCs)
 - iii) Karachi City to Peshawar City = 10 (ZBCs)
- Total = (25) ZBCs**

4.4 **BENCH MARK OF PESHAWAR CARGO EXPRESS STATION WISE PER ZBC ROUND TRIP**

Station	Carrying Capacity	Amount (Rs.)
Karachi City to Lahore	CC-60 Tonnes	330325/-
Karachi City to Rawalpindi	CC-60 Tonnes	451005/-
Karachi City to Peshawar City	CC-60 Tonnes	545115/-

Note: Above rates are subject to correction if, any.

4.5. **Scope of Services**

4.5.1 **Definitions**

- a. **Parties**
Means Pakistan Railways (PR), Government of Pakistan, (Party No.1) with its Headquarter at 13-Empress Road, Lahore and the Contractor.
- b. **Agreement**
Means, the agreement for outsourcing the commercial management of ZBCs of Peshawar Cargo Express Train, including booking of consignments at originating station and delivery at destination station without any liability to the Railways.
- c. **Working Day**
Means, working day of the week except Sunday and Gazatted Holidays or any Local Holiday in Karachi or other station mentioned in the data sheet where Markets/Trading Centers are closed.
- d. **Time Table**
Means, time table mentioned in the Time Table or any other timings best suited to the overall operation of Pakistan Railways.

4.5.2 **Requirements of Project**

Main services / activities required to be performed by the Contractor includes but not limited to the following:

4.5.2.1. **Terms and Conditions**

In order to promote Freight Cargo business on main corridor between Karachi City to Lahore to Rawalpindi to Peshawar City the management of Pakistan Railways has planned to outsource the entire commercial management of the Peshawar Cargo Express train. The Peshawar Cargo Express Train will run twice a week with the rake of maximum 25 ZBCs having carrying capacity of 60 tonne per ZBC, from Monday to Saturday.

- a) The train will run as per schedule, mentioned in the Railways timetable or any other timings best suited to the overall operation of Pakistan Railways. Current proposed timing of Peshawar Cargo Express train is tabulated below:

505-Up			506-Dn		
Station	Arr:	Dep:	Station	Arr:	Dep:
Karachi City	-	02:00	Peshawar Cantt	-	19:00
Kotri (TXR Examination)	06:00	06:30	Rawalpindi (Attaching)	24:00	01:00
Tando Adam	-	8:30	Lala Musa (TXR Examination)	05:00	05:30
Rohri (TXR Examination)	14:15	15:45	Lahore (Attaching)	09:00	11:00
Khanpur	21:45	21:55	Yousafwala	-	15:45
Samasata (TXR Examination)	01:15	2:45	Khanewal	-	18:45
Khanewal	-	6:00	Samasata (TXR Examination)	22:15	23:45
Yousafwala	-	09:00	Khanpur	02:50	03:00
Lahore (Detaching)	14:00	16:00	Rohri (TXR Examination)	09:00	10:30
Lalamusa (TXR Examination)	19:40	20:20	Tando Adam	-	16:15
Rawalpindi (Detaching)	00:15	01:15	Kotri (TXR Examination)	18:15	18:30
Peshawar City	06:00	-	Karachi City	23:00	-
Running Time	52:00 Hrs		Running Time	52:00 =Hrs	

Pakistan Railways, reserves the right to alter / amend any timing of Peshawar Cargo Express Trains at any moment.

- b) The bid will only be received on prescribed proforma.
- c) Freight Charges will be paid for round trip in advance before start of train, keeping in view the service charges. The Freight charges will be deposited at Karachi City preferably in shape of Draft Demand / Pay Order / CDR etc.
- d) The Train starting station will be Karachi City and the Contractor will arrange loading / unloading at his own risk and cost. The Contractor must ensure that Loading / unloading of ZBC should be completed within free time.
- e) The contractor will submit summary of the consignments alongwith approximate weight to the In-charge of goods office before sealing/locking of the loaded ZBCs. He will also place a copy of the summary inside the loaded ZBC. In case the Contractor fails to provide copy of the summary, a fine of Rs.5000/- will be imposed as penalty per incident.
- f) The Contractor will be allowed to load the Cargo in the ZBC up to its marked carrying capacity only. If, overloading is detected a fine of Rs.50000/- per ZBC will be imposed as by the Chief Marketing Manager or any other nominated officer on their behalf. On accumulation of three fines, the Contract will be subject to termination.
- g) In case of derailment/accident during the journey due to overloading, the contact will be liable to be terminated coupled with forfeiture of the Performance Guarantee. Besides, the Contractor will be responsible to pay the cost of the damaged ZBC and other infrastructure, if held responsible for such derailment after inquiry in addition to the above mentioned fine in clause (g).
- h) In case the contractor fails to load placed ZBCs expect days mentioned in

section 4.1 with in the free time due to any reason, the Contractor shall be liable to pay Rs.9000/- Per day Per ZBC on 1st day, Rs.11000/- on 2nd day and Rs.13.000/- on 3rd day as demurrage charges. After that placement of that particular ZBC shall be considered cancelled and empty ZBC shall be provided to other contractors, if there is a demand for extra ZBC in addition to their normal quota on one ZBC, in order to maximize the loading of ZBCs by cargo contractors. For this purpose the Goods office, Karachi City shall maintain a priority register to this effect and empty ZBC shall be provided as per priority register. It must be ensured that extra ZBC will only be provide as per priority register entries.

- i) The successful bidder will load a minimum of 20 ZBCs per month. In case of failure to load the aforementioned ZBCs / Loads for 03 consecutive months the contract will be stand liable to be terminated along with recovery of any kind of outstanding amount and case shall be forwarded by DMM Karachi / DCO Lahore/ DCO Rawalpindi/ DCO Peshawar and Deputy CMM for termination of the contract to CMM.
- j) The Contractor will not be allowed to load explosive, dangerous, inflammable and smuggled/ contraband articles in the ZBC at any cost. Violation on the part the Contractor may result into the termination of the Contract and/or fine up to Rs.500,000/- if any contraband item is deducted in the ZBC, Rs.700,000/- in case any smuggled item is deducted and Rs.1,000,000/- in case any and item shall be inclusive of (and not restricted to) all items declared as 'Contraband' and 'Illegal' under the applicable laws of the Federal and Provincial governments of Pakistan; and/or as outlined per rules of Pakistan Railways.
- k) The Contractor shall load ZBC from the originating station to destination. Loading/unloading at intermediate stations will not be allowed.
- l) Any officer/ official of Pakistan Railways or authorized/ concerning department/ office will be allowed to inspect the ZBCs and check the contents of the consignments loaded in the ZBC at forwarding /destination and en-route stations.
- m) Repeated major offences/ irregularities by contractor may result in being liable for blacklisting.
- n) The Contractor will provide a certificate from the registered authorized and qualified Chemical Examiner (Hired by the Contractor) that the commodities offered by the Contractor can be safely transported in ZBC and are not dangerous/inflammable and explosive. If the Contractor fails to provide the same, a fine will be imposed as per incident.
- o) Contractor will be provided storage space, if available, including office accommodation for booking of freight traffic on payment of rental charges. Rs.15/- per square feet for open space and Rs.30/- per square feet for covered area per month, if rental charges are not paid up to 15th of each month 20% penalty will be imposed along with a rental charges not paid by the contractor and if the contractor fails to deposit the monthly rent of storage space and demurrage charges for consecutive three months, the case should be forwarded for termination to CMM along with recovery of outstanding amount by the DMM Karachi / DCO Lahore / DCO Rawalpindi / DCO Peshawar. However the station staff should ensure the recovery of amount regarding storage space charges and demurrage charges before the 15th of each month from the contractor and if contractor fails the deposit amount up to 15th of each month and after 20th of each month he should be served Show Cause Notice by the DMM Karachi / DCO Lahore / DCO Rawalpindi / DCO Peshawar with intimation to CMM Office to deposit the outstanding amount otherwise his contract will be terminated. Parties/Firms/Individual in litigation against P.R in any court of law or declared defaulter/bankrupted by any Government Department shall be

- disqualified.
- p) The Contractor will pay electricity charges, if provided with separate meters in covered shed, open space and office at his own cost.
 - q) Railways will not entertain any claim for compensation on account of loss/damage to consignments booked by the Contractor.
 - r) The bid security of unsuccessful bidders will be returned as promptly as possible, but not later than 28 days after the expiration of the period of Bid Validity.
 - s) Railway Administration will endeavor to run Peshawar Cargo Express Train on its schedule. However, Railway administration will not be responsible for any delay at originating station and en-route due to any operational limitations.
 - t) In case ZBCs are placed in position for loading and the contractor does not load the same, he will pay the round-trip charges.
 - u) The highest bid will be accepted.
 - v) No financial bid will be accepted below the prescribed benchmark.
 - w) The Contractor shall sign the Integrity Pact as per proforma attached as appendix-H of the bid documents.
 - x) The successful bidder will provide CC TV Cameras in vicinity and will be responsible for its maintenance during the currency of the agreement.
 - y) The Performance Guarantee of Contractors will be returned upon termination of agreement after 90 days from the date of termination to ascertain any outstanding against the Contractor.
 - z) One party shall offer bid in group of 5 ZBCs for Peshawar/ Rawalpindi/ Lahore for Karachi City or for whole Cargo Express train. However, an additional ZBC may be provided to the contractor on payment of additional Rs. 5000/- per round trip in addition to the freight charges with appropriate taxes subject to availability, operational limitations, and approval of Pakistan Railways.
 - aa) The contractor will not be allow subletting of ZBCs to other contractor/ parties. If any case of subletting is discovered then the contractor may be fined by PR, furthermore, the contract may also be terminated by PR and the contractor may be black listed.
 - bb) If, there is an outstanding against existing contractor, he will not allowed to participate in the bidding process without clearance of outstanding. If, outstanding is not cleared he will be disqualify technically.
 - cc) One party / Contractor / Firm can offer bid for maximum 10 ZBCs (in groups of 5 ZBCs) for Peshawar/ Lahore, and 5 ZBCs for Rawalpindi.
 - dd) If, there is in outstanding against contractor, he will not allowed to participate in the bidding process without clearance of outstanding amount. If, outstanding amount is not cleared by contractor he will be disqualify technically.
 - ee) If, the contractor is previously involved in transportation of contra band items or any FIR is registered against the contractor regarding transportation of contra band items he will also be Disqualify Technically.
 - ff) Contractor 'Blacklisted' by Pakistan Railways, or any Government Organization/Agency, or by any Bank will be Technically Disqualified.
 - gg) In case of any accident / incident Pakistan Railways is not liable to pay any kind of compensation to the labour hired by the contractor in case of injury or death.

Section 5: Appendices

- Appendix-A** Standard Format of Bank Guarantee for Bid Security.
- Appendix-B** Standard Format of Bank Guarantee for Performance Guarantee.
- Appendix-C** Standard Form for Staff / Personnel to be deployed for this project
- Appendix-D** Standard Form for List / Details of machinery / equipment to be utilized for this project.
- Appendix-E** Storage facility required to house the equipment and space required for staff.
- Appendix-F** Criteria for responsiveness check
- Appendix-G** Standard Format of Contract Agreement
- Appendix-H** Integrity Pact Proforma
- Appendix-I** Criteria for Technical Evaluation

Appendix-A
STANDARD FORMAT OF BANK GUARANTEE FOR BID SECURITY
(Bank Guarantee)

Security Executed On _____ Date _____
 Name of Surety (Bank) with Address _____
 (Scheduled Bank in Pakistan)

Name of (Bidder) with Address _____

Penal Sum of Security Rupees. _____ (Rs.) _____

Bid Reference No. _____

KNOW ALL MEN BY THESE PRESENTS, that is in pursuance of the terms of the Bid and at the request of the said Bidder, the Surety above named, are held and firmly bound unto Chief Marketing Manager, Pakistan Railways, Headquarters, Office Lahore (hereinafter called the 'Client') in the sum stated above for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Bidder has submitted the accompanying Bid dated _____ for Bid No. _____ for _____ (Particulars of Bid) to the said Client; and

WHEREAS, the Client has required as a condition for considering said Bid that the Bidder furnishes a Bid Security in the above said sum from a Scheduled Bank in Pakistan or from a foreign bank duly counter-guaranteed by a Scheduled Bank in Pakistan, to the Client, conditioned as under:

- (1) that the Bid Security shall remain in force up to and including the date 28 days after the deadline for validity of bids as stated in the Instructions to Bidders or as it may be extended by the Client, notice of which extension(s) to the Surety is hereby waived;
- (2) that the Bid Security of unsuccessful Bidders will be returned by the Client after expiry of its validity or upon signing of the Contract Agreement; and
- (3) that in the event of failure of the successful Bidder to execute the proposed Contract Agreement for such Services and furnish the required Performance Security, the entire said sum be paid immediately to the said Client pursuant to relevant Clause of the Instruction to Bidders for the successful Bidder's failure to perform.

NOW THEREFORE, if the successful Bidder shall, within the period specified therefore, on the prescribed form presented to him for signature enter into a formal Contract with the said Client in accordance with his Bid as accepted and furnish within twenty eight (28) days of his being requested to do so, a Performance Security with good and sufficient surety, as may be required, upon the form prescribed by the said Client for the faithful performance and proper fulfillment of the said Contract or in the event of non-withdrawal of the said Bid, within the time specified for its validity then this obligation shall be void and of no effect, but otherwise to remain in full force and effect.

PROVIDED THAT the Surety shall forthwith pay the Client the said sum upon first written

demand of the Client (without cavil or argument) and without requiring the Client to prove or to show grounds or reasons for such demand, notice of which shall be sent by the Client by registered post duly addressed to the Surety at its address given above.

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

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

SURETY (Bank)

WITNESS

1. _____

Corporate Secretary (Seal)

2. _____

Name, Title and Address

Signature _____

Name _____

Title _____

Corporate Guarantor (Seal)

Appendix-**B**

**STANDARD FORMAT OF BANK GUARANTEE FOR PERFORMANCE SECURITY
(Bank Guarantee)**

Guarantee No. _____
 Executed On _____
 Expiry Date _____

[Letter by the Guarantor to the Client]

Name of Guarantor (Bank) with address _____
 (Scheduled Bank in Pakistan)

Name of (Contractor) with Address _____

Penal Sum of Security Rupees. (Express in words and figures) _____

Letter of Acceptance No. _____ Dated _____

KNOW ALL MEN BY THESE PRESENTS, that in pursuance of the terms of the Bidding Documents and above said Letter of Acceptance (hereinafter called the Documents) and at the request of the said Bidder, the Guarantor above named, are held and firmly bound unto the Chief Marketing Manager, Pakistan Railways, Headquarters, Office Lahore (hereinafter called the Client) in the penal sum of the amount stated above for the payment of which sum well and truly to be made to the said Client, we bind ourselves, our heirs, executors, administrators and successors, Jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal has accepted the Client's above said Letter of Acceptance for

_____ (Name of Contract) for the _____

_____ (Name of Project).

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

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

We, (the Guarantor), waiving all objections and defenses under the Contract, do hereby irrevocably and independently guarantee to pay to the Client without delay upon the Client's first written demand without cavil or arguments and without requiring the Client to prove or to show grounds or reasons for such demand any sum or sums up to the amount stated above, against the

Client's written declaration that the Principal has refused or failed to perform the obligations under the Contract which payment will be effected by the Guarantor to Client's designated Bank & Account Number.

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

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

Guarantor (Bank)

WITNESS

Signature _____

1. _____

Name _____

Title _____

Corporate Secretary (Seal)

Corporate Guarantor (Seal)

2. _____

Name, Title and Address

Appendix-C

**STANDARD FORM FOR STAFF / PERSONNEL TO BE DEPLOYED
FOR THIS ASSIGNMENT**

Location:

S.No.	Name of Staff	CNIC No.	Position Assigned / Designations	Task Assigned

**NOTE: The above FORM must be filled separately for each location described in
TOR / Scope of Services.**

CRITERIA FOR RESPONSIVENESS OF BIDS.

S.No	CRITERION
1.	Bid is properly signed by an authorized person
2.	Acceptable and proper Bid Security attached or not
3.	Bid Validity according to the Tender Document or not
4.	Standard Form for Staff / Personnel to be deployed for each location filled or not
5.	Standard Form for List / Details of Machinery / Equipment to be utilized for this assignment filled or not
6.	Information required through Forms General-1 and General -2 provided or not
7.	Technical Proposal and Financial Proposal properly filled or not
8	Bidder quoted price in financial proposal or not
9.	Is the offer unconditional
10.	Tender Conditions observed / agreed or otherwise.

**STANDARD FORMAT OF CONTRACT AGREEMENT
FORM OF CONTRACT AGREEMENT**

THIS CONTRACT AGREEMENT (hereinafter called the "Agreement") made on the ____day of (month) 2020____ between **Chief Marketing Manager, Pakistan Railways/Deputy Chief Marketing Manager, Headquarters, Office Lahore** (hereafter called the "Client") of the one part and (hereafter called the "Contractor") of the other part.

WHEREAS the Client is desirous to outsource the Commercial Management of ZBCs of 505 Up / 506 Down Peshawar Cargo Express Train. This project should be executed by the Contractor who has accepted an offer by the Client for the execution.

NOW this Agreement witnessed as follows:

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

The following documents after incorporating addenda, if any, except those parts relating to Instructions to Bidders shall be deemed to form and be read and construed as part of this Agreement, viz:

- (a) The Contract Agreement;
- (b) The Letter of Acceptance;
- (c) The completed Financial Proposal;
- (d) General Information;
- (e) Conditions of Contract;
- (f) Terms of Reference;
- (g) The completed Appendices to Bid (B to E);
- (h) _____ (any other)

In consideration of the payments to be made by the Contractor to the Client as hereinafter mentioned, the Contractor hereby covenants with the Client to execute and complete the Works and remedy defects therein in conformity and in all respects with the provisions of the Contract.

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

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

Signature of the Contractor

(Seal)

Signature of the
Client/Representative of Clint

(Seal)

Signed, Sealed and Delivered in the presence of

Witness:

Witness:

(Name, Title and Address)

(Name, Title and Address)

Appendix-H**Integrity Pact Proforma**

Contract No. _____ Dated _____

Contract Value: _____

Contract Title: **Outsourcing the Commercial Management of Peshawar Cargo Express (505 Up / 506 Down) for ZBC.**

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

Without limiting the generality of the foregoing, [name of the Contractor] represents and warrants that it has fully declared the fees etc. paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoP, except that which has been expressly declared pursuant hereto.

[name of the Contractor] certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with GoP and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

[name of the Contractor] accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other rights and remedies available to GoP under any law, contract or other instrument, be voidable at the option of GoP.

Notwithstanding any rights and remedies exercised by GoP in this regard, [name of the Contractor] agrees to indemnify GoP for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to GoP in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by [name of Marketing Agent] as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoP.

Name of Client:

Signature:

[Seal]

Name of the Contractor:

Signature:

[Seal]

SECTION 6: FINANCIAL PROPOSAL – STANDARD FORMS

Financial proposal – Standard forms shall be used for the preparation of the Financial Proposals.

FIN-1. Financial Proposal Submission Form

FORM FIN-1 FINANCIAL ROPOSAL SUBMISSION FORM**The Chief Marketing Manager**

Pakistan Railways,
Headquarter Office,
Lahore.

Dear Sir,

I, the undersigned, offer to undertake Commercial Management of the ZBC of Peshawar Cargo Express between:

STATION		NO OF ZBC REQUIRED	OFFER PER ZBC (RS.)
From	To		
Karachi City	Lahore	words _____ Figures _____	In words _____ In Figures _____
Karachi City	Rawalpindi	words _____ Figures _____	In words _____ In Figures _____
Karachi City	Peshawar City	words _____ Figures _____	In words _____ In Figures _____

I understand that you are not bound to accept any Proposal you receive.

I remain,

Yours Sincerely

Authorized signatures (in full and initials) _____

Name and Title of Signatory _____

CNIC No. _____

Name of Firm _____

Address _____
