



2012

SELECTION OF OPERATORS FOR BUS OPERATIONS IN MAJOR CITIES OF PUNJAB



REQUEST FOR PROPOSAL

Department of Transport
11-A, Egerton Road
Lahore Punjab Pakistan

DISCLAIMER

The Department of Transport, Punjab (DoT) has prepared this Request for Proposal (RFP) to accommodate public transport demand in major cities of province. This RFP does not claim to contain all the information related to the Project. However, maximum efforts have been made to incorporate available information relevant to the proposed transaction. The DoT does not make any representations or warranties, express or implied as to the adequacy, accuracy, completeness or reasonability of the information contained in this RFP. No decision should be based solely on the basis of the information provided in this RFP. The DoT has no liability for any statements, opinions, information provided in this RFP. The DoT shall have no liability for any statements, opinions, information or matters (expressed or implied) arising out of, contained in or derived from, or for any omission in, this RFP. Furthermore, the DoT will not be liable for any written or oral communication transmitted to third parties in relation to this RFP.

IMPORTANT NOTE

All Companies and Joint Ventures complying with criteria given in this document are eligible for this tender, hereafter referred to as Bidders.

Prospective bidders must ensure submission of all the required documents indicated in this RFP. Bids received without valid documentary evidence, undertakings, supporting documents and various requirements mentioned in the RFP or test certificates will be rejected at the initial stage. The data sheets, valid documentary evidences for the critical components as detailed hereinafter should be submitted by the Bidder for scrutiny. It is intimated that no objection/revisions/supplements shall be entertained regarding the terms and conditions of the Bidding Document submitted by the bidder.

The potential bus operators will be selected according to the evaluation and selection criteria specified in this document. The operator (s) may apply for one or more routes in a city specified in the RFP.

This Bidding Process will be governed by Punjab Procurement Regulatory Authority Act of 2009, and PPRA Rules 2009 as amended from time to time.

GLOSSARY OF TERMS

DoT	Department of Transport
GoPb	Government of the Punjab
GoP	Government of Pakistan
JV	Joint Venture
KIBOR	Karachi Inter Bank Offer Rate
LOA	Letter of Award
RFP	Request for Proposal
SPL	Service Performance Levels

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SECTION-1
GENERAL INSTRUCTIONS

SECTION-1

GENERAL INSTRUCTIONS

1.1 Invitation for Bid

The Department of Transport (DoT), Government of the Punjab (GoPb), invites bids for the:

Selection of Operators on bus routes identified by DoT in the major cities of the Punjab

1.2 Criteria for Selection of Public Transport Bus Operators

The GoPb is striving to augment public transport service in the major cities of the province on bus routes identified by the DoT. It is envisaged that the intended bus services will improve urban public transport and encourage car users to use public transport; thus decreasing traffic congestion, and pollution. The DoT has identified routes in the major cities of the province which include Lahore, Faisalabad, Rawalpindi, Multan, and Gujranwala, Bahawalpur and Sialkot.

The DoT aims to facilitate potential operators through locally manufactured or imported New City A/C Diesel buses. The DoT has already advertised request for proposal for procurement of up-to 1200 buses dated: August 12, 2012. Interested parties preferably possessing expertise in intra-city and inter-city transport can apply for the mentioned project.

Following criteria will be adopted for selection of operators:

The DoT will select operators based on technical and financial evaluation and the lowest subsidy demanded by the operator for operation and maintenance of buses on the identified urban routes.

- The DoT will facilitate the operator (s) by:
 - Providing **UPFRONT CAPITAL SUBSIDY** for procurement of buses being calculated on the basis of the lowest bid placed against already advertised request for proposal for procurement of up-to 1200 buses dated: August 12, 2012. The distribution of upfront capital subsidy will be 20% for Lahore, 25% for rest of cities and 30% for southern Punjab (Multan, D.I Khan, Bahawalpur) respectively.
 - Providing **OPERATIONAL SUBSIDY** (demanded by the operator on a particular route). However, the operator will be required to operate minimum guaranteed 200 km/ day/ bus on the allotted route
 - Route identification in the cities of the Punjab
 - Loan Arrangement by the GoPb from financial institution
 - The term of Loan is capped at 8 years
 - The bank will charge usual mark up
- The DoT will validate the required guaranteed 200 km/ day/ bus through tracking system by the operator from a list of DoT approved tracking companies.
- The DoT will sign an agreement with the operators to operate buses on allocated routes for minimum of 8 years period, along with subsidy agreement.
- The DoT will initially provide **Agreed Operational Subsidy** on a particular route for 6 months after the award of the contract and start of bus operations.
- During the 6 months time, the DoT will conduct third party validation for contracted

routes to calculate/verify/ validate actual operational subsidy to be paid to the operator.

- The amount of subsidy will be adjusted passenger demand calculated through surveys /fleet management system conducted /installed by an independent third party as per approved by DoT.

1.3 Laws to be followed

Punjab Procurement Regulatory Authority Act of 2009, and Punjab Procurement Rules, 2009 will be followed for the above procurement. These may be viewed/ downloaded from;

<http://ppra.punjab.gov.pk/PublicPages/prorules1.aspx>

In this document, unless otherwise mentioned to the contrary, "Rule" means a Rule under the Punjab Procurement Rules 2009.

1.4 Mode of Advertisement

As per Rule 12(1) and (3), this RFP is being placed online as well as being advertised in print media. The bidding document carrying all details can be downloaded from PPRA's website www.ppra.punjab.gov.pk, Punjab Portal <http://www.punjab.gov.pk/transport>, and Lahore Transport Company website www.ltc.gop.com

All prospective bidders may contact the DoT through e-mail or in person at the following address;

Additional Secretary Transport
Department of Transport
11A, Egerton Road,
Lahore, PAKISTAN
E-mail: as.transport.punjab@gmail.com

Tel: 042 9920 1158

Fax: 042 9920 5363

1.5 Type of Open Competitive Bidding

As per Punjab Procurement Rules, 2009 36(b), **Single Stage - Two Envelope Procedure** will be followed as under:

- The bid shall comprise of a single package containing two (2) separate envelopes. The Odd Numbered Envelope shall contain separately the technical proposal. The Even Numbered Envelope shall contain separately the financial proposal;
- The envelopes shall be marked in bold and legible letters to avoid confusion, as follows:
 - “ENVELOPE-No. 1: TECHNICAL PROPOSAL”
 - “ENVELOPE-No. 2: FINANCIAL PROPOSAL”

- iii. Initially, only the ENVELOPE - No. 1 marked TECHNICAL PROPOSAL will be opened publically at a place and time notified to the bidder;
- iv. ENVELOPE No 2, shall be retained in the custody of the DoT without being opened;
- v. The technical proposal will be evaluated in a manner as per the clauses mentioned in this document; and proposals which do not conform to the specified requirements as listed in said document will be rejected.
- vi. During the technical evaluation no amendments in the technical proposal shall be made/ permitted; except for arithmetical corrections.
- vii. After the evaluation and approval of the technical proposal The ENVELOPE-No. 2: FINANCIAL PROPOSAL of technically qualified bidders shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance; the financial proposals of bidders who do not qualify technically will be returned unopened.
- viii. The technically qualified bidder with lowest financial bid will be the successful bidder.
- ix. The DoT anticipates bus operators to bid for DoT identified bus routes. The exact number of buses to be operated on each bus route will be quoted by operator based on information mentioned in Section 2.3.3.
- x. Successful bidder will be informed via confirmation letter of Selection as an Operator the on route (s) he / she bid for and would be required to sign agreement with the DoT.

1.6 Bidding Details

All bids must be accompanied by a Call Deposit Receipt / Demand Draft/ Bank Draft of PKR 2% of the annual total subsidy amount demanded by the operator based on number of buses to be operated on the route (See Subsidy Schedule as attached in Annex A,) as bid security in favor of “The Department of Transport” issued by a scheduled bank allowed/ carrying financial transactions in PAKISTAN.

The bids along with the Call Deposit Receipt / Demand Draft / Bank Draft, Tender Forms, Affidavits, etc., must be submitted to:

Additional Secretary Transport
Department of Transport
11A, Egerton Road,
Lahore, PAKISTAN

on or before September 5, 2012 by 1500 hours. The bid must be submitted no later than fifteen (15) days after the first publication of advertisement in newspaper/ PPRA Punjab’s website www.ppra.punjab.gov.pk/. The Technical bids will be publicly opened in the Committee Room of the Transport Department, Lahore, at 1600 hours on the same day i.e., September 5, 2012.

Queries of the Bidders (if any) for seeking clarifications regarding the Request for Proposal

must be received in writing to the DoT within seven (7) working days from the date of first publication of the Tender document. All queries shall be responded to within due time. DoT shall hold a pre-bid meeting on August 29th, 2012 for the Q&A session. Time of the meeting will be 02:00 pm.

The bidder must submit bids on the basis of complete fulfillment of requirements. Failure to meet this condition will cause disqualification of the bidder. The bidder shall submit bids complying with the Bidding Document and alternative bids shall not be considered. The attention of bidders is drawn to the provisions of Clause 4.12 on “Determination of Responsiveness of Bid” regarding the rejection of Bids, which are not substantially responsive to the requirements of the Bidding Document.

The contact person for all correspondence in relation to this bid is as follows:

Additional Secretary Transport
Department of Transport
11A, Egerton Road,
Lahore, PAKISTAN
E-mail: as.transport.punjab@gmail.com

Tel: 042 9920 1158

Fax: 042 9920 5363

Bidders should note that during the period from the advertisement of the tender till the receipt of the bid, all queries should be communicated to the above contact in writing or via e-mail at the above stated address.

1.7 Bidders' Authorized Representative

Bidders are also required to state, in their proposals, the name, title, fax number and e-mail address of the bidder's authorized representative through whom all communications shall be directed until the process has been completed or terminated.

The DoT either acting as Procurer or Intermediary Procurer will not be responsible for any costs or expenses incurred by bidders in connection with the preparation or delivery of bids.

As authority competent to accept the tender, DoT reserves the right to cancel the tender, accept or reject one or all bids without assigning any reason thereof.

SECTION-2
INTRODUCTION AND BACKGROUND
INFORMATION

SECTION-2

INTRODUCTION AND BACKGROUND INFORMATION

The existing condition of urban public transport in Punjab is inadequate to meet the growing travel demand of public. Lack of urban public transport in major cities of Punjab is causing rapid increase in number of cars and motorcycles, which is leading to congestion and pollution (air and noise) on roads; impacting significantly on social and economic wellbeing of the residents.

The DoT, GoPb aims to;

- Improve Accessibility and Mobility
- Reduce Congestion on Roads
- Improve Safety on Roads
- Reduce Environmental Pollution
- Reduce dependency on private vehicles
- Create greater employment opportunities for public
- Create greater Social and Economic Benefits and;
- Reduce Illegal para-transport

through affordable, reliable and efficient Public Transport for all.

2.1 Bus Project Overview

The GoPb intends to launch up-to 1200 A/C Diesel City buses in major cities of Punjab to improve public transport service. These buses will be either procured by the DoT or by the private operators from the DoT shortlisted suppliers/ manufacturers. The operators would be allowed to procure A/C diesel buses only from the shortlisted Suppliers/ Manufacturers. The GoPb has decided to facilitate the prospective operators through provision of upfront capital subsidy and on loan/ leasing of buses from Banks/Financial institutions.

By this tender document, the DoT aims to seek proposals for selection of operators on identified routes from reputable bidders for the operations and maintenance of up-to 1200 air-conditioned, diesel, city buses for public transport provision in Punjab Province

2.2 Bus Project Objectives

Following are the main objectives of the Selection of Operator (s) Project:

- To meet the existing and future passenger travel demand
- To provide air-conditioned public transport for public
- To operate public transport on sustained basis through provision of capital and operational subsidy
- To provide safe and comfortable mode of transport for public
- To attract private vehicle users to shift to the public transport mode
- To improve service quality of the public transport as a whole in Punjab

2.3 Salient Features of the Bus Project

Following are the salient features of the bus operations and maintenance project

2.3.1 Upfront Capital Subsidy

The DoT will facilitate the operator (s) by providing **UPFRONT CAPITAL SUBSIDY** for procurement of buses being calculated on the basis of the lowest bid received against already advertised request for proposal for procurement of up-to 1200 buses dated: August 12, 2012.

The distribution of upfront capital subsidy will be 20% for Lahore, 25% for rest of cities and 30% for southern Punjab (Multan, D.G Khan, Bahawalpur) respectively.

2.3.2 Operational Subsidy and Verification/Validation by Third Party

The DoT will facilitate the operator (s) by providing **OPERATIONAL SUBSIDY** demanded by the operator on the particular route. However, the operator will be required to operate minimum guaranteed 200 km/ day/ bus on the allotted route.

The DoT will validate the required guaranteed 200 km/ day/ bus through installation of tracking system by the operator from a list of DoT approved tracking companies.

The DoT will sign an agreement with the operators to operate buses on allocated routes for minimum of 8 years period.

The DoT will initially provide agreed operational subsidy on the particular route for 6 months after the award of the contract. During the 6 months time, the DoT jointly with the operator will conduct third part validation for contracted routes to calculate/verify/ validate actual operational subsidy to be paid to the operator and for further extension in contract. The operational subsidy will be verified /revalidated on 6 monthly basis and adjusted as per actual ridership of passengers.

2.3.3 Allocation of Bus Routes

The DoT has identified urban bus routes in Punjab (list attached with this document). The DoT will allocate bus route(s) to the particular bus operator based on the following information to be submitted by the private operator:

1. Route Number and Alignment Bid for
2. Minimum Number of Buses Required
3. Total Route Length (Km)
4. Average Headway (Peak / Off Peak)
5. Round Trip Time (On Route + Time on Terminal)

2.3.4 Routes Identified by DoT

The DoT has identified vacant routes i.e. having no HOV service in major cities of the Punjab province. Details of these vacant routes in the major cities of Punjab are attached as Annex B. The prospective bidders are required to submit bids for one or more than one route as per their discretion. The existing bus operators who are already operating buses on the routes allotted to them may also bid for additional buses on these routes. The GoPb may consider their bid if found appropriate.

2.3.5 Preference for Operators

Preference will be given to those operators/ companies who conform to the DoT required bus specification, technical and financial criterion, procure and operate maximum number of buses, apply for maximum number of routes and demand lowest subsidy on a particular bus route.

All existing operators operating bus service on the routes approved by DoT can bid for their own allotted routes; however, these operators shall procure, operate and maintain buses from the 1200 New Diesel A/C buses already advertised by DoT dated August 12, 2012 to strengthen their existing fleet and service operations. In case the existing operators bid, they will be given preference for allotment of their own routes upon which they are already providing services. The new operational subsidy claimed by the existing operator will replace the existing operational subsidy if any having received by the operator provided that the bid submitted is legally valid and accepted by DoT.

2.3.6 Loan Arrangement from Bank/ Financial Institution

The GoPb will arrange Loan from bank/ financial institution for the period of 8 years at a markup rate usually charged by bank.

2.4 Short-listing of Successful Bidder/Operator

Bus operators/ companies will be selected through competitive bidding process based on the Technical and Financial criteria contained in this document

SECTION-3
REQUIREMENTS FOR BIDDERS

SECTION-3

REQUIREMENTS FOR BIDDERS

The prospective operator is required to comply with the following requirements:

3.1 Procurement of Buses by Operators

The operators shall procure Brand New Air Conditioned (AC) Diesel buses as per DoT prescribed specifications from the manufacturers /suppliers selected/short listed by the DoT.

3.2 Operation of Buses

The prospective operator is required to bid for at-least one of the bus routes (Annex B) identified by the DoT. The exact number of buses to be operated on a particular route will be estimated by the operator. In addition to number of buses quoted, the operator may add more buses based on the future passenger demand or to improve the serviceability levels on the route (s). However, the addition of buses is to be validated by the DoT. The successful bidder /operator will be required to operate procured buses for eight (08) years and after the end of agreement period and will be allowed to sell these or shift to some other routes subjected to approval of DoT.

3.3 Route Permit

Buses procured under this project will be operated only on the route(s) for which route permit will be issued by the DoT and the operator shall strictly follow the alignment of the routes specified in the relevant route permit. In addition, the operator will bear all cost of route permit and that for the registration of the buses etc.

3.4 Operation and Management of the Bus Service

The operator shall exercise all reasonable skill, care and diligence in operating the Bus Service, so as to ensure the safety of all persons involved, including passengers and all employees, agents and employees of DoT and GoPb.

3.5 Service Performance Level

The Bus Service shall be operated and managed by the operator in compliance with Service Performance Levels mentioned in Annex F.

The DoT may reject any Services provided or any part thereof that fail to conform to the Service Performance Levels. The operator shall either improve such rejected services or parts thereof or make alterations necessary to meet the Service Performance Levels at no cost to the DoT. The operator agrees that neither the inspection/monitoring of any or all Service Performance Levels or any part thereof, nor the attendance by the DoT or its representative, nor the issue of any report shall release the operator from any warranties or other obligations under the Contract.

3.6 Submission of Proposal

The operator may submit bid for one or more routes in a single proposal adhering to the requirement mentioned in Section 1.5. The subsidy being demanded shall be written individually for each route. In case a prospective bidder is competing for multiple routes then

his/ her bid will only be considered for the route having lowest subsidy in comparison to all other submitted bids; provided that the proposed bid is legally valid.

3.7 Cooperation with DoT's Staff

The operator shall cooperate with all DoT staff members or any other person appointed for the purpose to the extent of performance of assigned functions to the former and also facilitate their monitoring activities to maintain desired serviceability levels. The operator must participate in all meetings, committees, etc, as directed by DoT from time to time, on the location to be notified by DoT upon his /her experience.

3.8 Deployment of Skilled Staff

The operator will engage and deploy required number of suitably skilled personnel for operation and management of the buses. The operator will be responsible for the conduct and functioning of all his/ her staff employed for the operation and maintenance purposes. The bus operator staff shall ensure efficient services, polite and courteous behavior towards passengers, DoT employees or its representatives. The bus operator shall be liable for any misconduct or offense of its employees and shall take prompt and appropriate action to redress the complaints.

3.9 Advertisement in the Buses

All the revenue associated with the advertisement in and outside on the buses will be of operators. However, the operator will ensure that the types, forms, and locations of that all advertisement to be displayed inside or /and outside the buses shall be placed with prior consent and written approval of the DoT.

3.9.1 Colour Scheme

The colour scheme for operator's fleet shall be approved by DoT as prescribed under Section 179 "Paining of Public Service Vehicles" of Motor Vehicle Laws 1969.

3.10 Single party/ Joint Venture/ Consortium

A prospective operator may be a single entity or may take the form of a Joint Venture /Consortium comprising of companies, firms, corporate bodies or other legal entities.

Each Joint Venture/ Consortium shall appoint and authorize one (1) lead member ("Lead Member") to represent and irrevocably bind all members of the Joint Venture/ Consortium in all matters connected with the bidding process, including but not limited to the submission of the bidding document on behalf of the Joint venture taking part in the opening of bids signing of contracts and operation / maintenance of buses. The venture agreement shall contain requirements on the Lead Member throughout the term of the agreement to subscribe and maintain a shareholding of minimum 50% in the consortium.

3.11 Participation in more than One Consortium

In order to avoid any potential conflict of interest, no party to any consortium shall be a member of, or in any way participate or be involved, whether directly or indirectly, in another consortium at any stage of the bidding process. This condition doesn't apply to commercial entity or financial institution whose role is limited purely to lending money or advancing credit to the bidding consortium.

3.12 Changes to the Composition of the Consortium

There shall not be any change in the composition of the consortium under the normal circumstances during the bidding process. However, under special circumstances, substitution / addition may be considered by DoT only once for one substitution/ addition in the members of the consortium of the bidder. The decision of DoT either to approve or disapprove such substitution / addition shall be final and binding on the bidder. DoT may permit change in the composition of a consortium during the bid process, only where:

- a. The lead member continues to be the lead member of the consortium;
- b. The substitute is at least equal, in terms of technical capacity and financial capacity, to the consortium member who is sought to be substituted and the modified consortium shall continue to meet the bid evaluation criteria for the applicants;
and
- c. The new member(s) expressly adopt(s) the application already made on behalf of the consortium as if it were an original party to it, and is not an applicant / member / associate of any other consortium bidding for this project.

SECTION-4
INSTRUCTIONS TO BIDDERS

SECTION- 4

INSTRUCTIONS TO BIDDERS

4.1 Submission of Bid

The potential bidders are required to submit their sealed bids clearly stating the bidder's legal name and address containing separate sealed envelopes in the manner given hereunder:

Sr. No.	Proposal reference	Requirements for submission
1	Technical Proposal	TECHNICAL PROPOSAL is to be submitted in triplicate (one original and two copies sealed in separate envelopes) placed in a single sealed envelope clearly marked as per the criteria mentioned in section 1.5.
2	Financial Proposal	FINANCIAL PROPOSAL is to be submitted in triplicate (one original and two copies sealed in separate envelopes) placed in a single sealed envelope clearly marked as per the criteria mentioned in section 1.5 separate for each route.

4.2 Deadline for Submission of Bids

- a. The proposals from bidders should reach on or before September 5, 2012 no later than 1500 hours along with the Call Deposit Receipt / Demand Draft / Bank Draft, Tender Forms, Affidavits, etc. on the following address:

Additional Secretary Transport
Department of Transport
11A, Egerton Road,
Lahore, PAKISTAN
E-mail: as.transport.punjab@gmail.com

Tel: 042 9920 1158

Fax: 042 9920 5363

- b. Bids with charges payable will not be accepted, nor will arrangements be undertaken to collect the bids from any delivery point other than that specified above. Bidders shall bear all expenses incurred in the preparation and delivery of bids. No claims will be entertained for refund of such expenses.
- c. Where delivery of a bid is by mail and the Bidder wishes to receive an acknowledgment of receipt of such bid, he shall make a request for such acknowledgment in a separate letter attached to but not included in the sealed bid package.
- d. Upon request, acknowledgment of receipt of bids will be provided to those making delivery in person or by messenger.
- e. The DoT may, at his discretion, extend the deadline for submission of bids by issuing an amendment in which case all rights and obligations of the DoT and the bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.

4.3 Late Bids

Any bid received by the DoT after the deadline for submission of bids prescribed in this RFP will be returned unopened to bidder.

Delays in the mail, delays of person in transit, or delivery of a bid to the wrong office shall not be accepted as an excuse for failure to deliver a bid at the proper place and time. It shall be the Bidder's responsibility to determine the manner in which timely delivery of his/ her bid will be accomplished either in person, by messenger or by mail.

4.4 Modification, Substitution and Withdrawal of Bids

Any Bidder may modify, substitute or withdraw his/ her bid after bid submission provided that the modification, substitution or written notice of withdrawal is received by the DoT prior to the deadline for submission of bids.

The modification, substitution, or notice for withdrawal of any bid shall be prepared, sealed, marked and delivered with the outer and inner envelopes additionally marked "MODIFICATION", "SUBSTITUTION" or "WITHDRAWAL" as appropriate.

No bid may be modified by a Bidder after the deadline for submission of bids.

Withdrawal of a bid during the interval between the deadline for submission of bids and the expiration of the period of bid validity specified in the Form of Bid may result in forfeiture of the Bid Security.

4.5 Language of the Bid

Proposals must be prepared in English language and be submitted in hard copy form, as described. Proposals received through Fax or via E-mails shall not be accepted.

4.6 Currency of the bids

All monetary values quoted in the bid shall be in Pak Rupee.

4.7 Bid Security

Prospective bidders shall be required to submit aforementioned Bid Security in section 1.6 i.e. 2% of the annual total subsidy amount demanded by the operator based on total number of buses to be operated on the route (s) along with their financial proposal in the shape of a bank draft/ pay order or Bid Bond (draft specimen included in Annex C in favor of Section Officer General, Department of Transport. The bid security shall be immediately discharged /returned to all unsuccessful bidders after declaration of the name of the successful bidder, and signing of the agreement with the successful bidder.

A bid security may be forfeited;

- a. If the Bidder withdraws its bid during the period of bid validity
- b. In case of successful bidder, if he fails within the specified time to
 - i. Furnish the necessary performance security /Guarantee
 - ii. Sign the contract agreement

- c. In case of default

4.8 Performance Guarantee

A performance guarantee must be furnished by the operator in the shape of either a Pay-Order or a bank draft or a Bank guarantee upon signing of agreement (draft specimen included in Annex D), which shall be 10% of the total amount of annual subsidy claimed against each particular route (s) bid for. In case an operator is bidding for more than one route, the total performance guarantee amount shall be cumulative i.e. sum of all subsidy amounts calculated for each route individually.

The prospective operator shall cause the validity period of the performance guarantee to be extended for such period(s) as the contract performance may be extended. The performance guarantee shall be returned to the bidder within thirty (30) working days after the expiry of the contract period on written request from the operator.

4.9 Conformity to the Bidding Document

- i. To establish the conformity to the Bidding Document, the Bidder shall furnish as part of its Bid the documentary evidence that conform to the specified requirements.
- ii. The documentary evidence may be in the form of literature, drawings or data, and shall consist of a detailed item-by-item description of the essential technical and performance characteristics.

4.10 Documents Establishing the Qualification of the Bidder

- i. The documentary evidence of the Bidder's qualifications to perform the contract, if his /her bid is accepted, shall be to the DoT's satisfaction that the Bidder meets each of the qualification criterion specified in Bidding Documents.

4.11 Bid Validity

Bid submitted by bidders must remain valid and open for acceptance for minimum three (3) months from the bid submission date. During this period the bidder shall maintain the availability of resources offered in his /her proposals. DoT will make its best effort to complete negotiation within this period. Should the need arise; DoT may request bidder to extend the validity period of his her proposal. However, the bidder who does not agree has the right to refuse to extend the validity of his her proposals.

4.12 Responsiveness of Bids

A bid will be considered non-responsive if the bidder,

- 1. fails to submit documentary evidence establishing the qualification of the bidder and conformity to the bidding documents
- 2. fails to submit bid bond/ security
- 3. fails to provide Integrity Pact
- 4. fails to agree with Service Performance Levels

4.13 Correction of Errors

Bids determined to be substantially responsive will be checked by the DoT for any arithmetic errors. Errors will be corrected by the DoT as follows:

- a. where there is a discrepancy between the amounts in figures and in words, the amount in words will govern; and
- b. where there is a discrepancy between the subsidy unit rate and the total resulting from multiplying the unit rate by the bus quantity, the subsidy unit rate as quoted will govern, unless in the opinion of the DoT there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern and the unit rate will be corrected.

The amount stated in the bidding document will be adjusted by the DoT in accordance with the above procedure for the correction of errors and with the concurrence of the Bidder and it shall be considered as binding upon the Bidder. If the Bidder does not accept the corrected Bid Price, his Bid will be rejected, and the Bid Security shall be forfeited hereof.

4.14 Evaluation and Comparison of Bids

The DoT will only evaluate and compare the Bids determined to be substantially responsive. While evaluating the Bids, the DoT will determine for each Bid the evaluated Bid Price by adjusting the Bid Price as follows:

- a. making any correction for errors as described in Section 4.12;
- b. excluding Provisional Sums and the provision, if any, for contingencies; and
- c. making an appropriate adjustment for any other acceptable variation or deviation from specification or performance criteria

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.

If the Bid of the successful Bidder is seriously unbalanced in relation to the DoT's estimate of the operational subsidy against a particular route (s) under the Contract, the DoT may require the Bidder to produce working and analysis of total amount of subsidy demanded against a particular route (s) mentioned in the schedule. After evaluation of the price analyses, the DoT may require that the amount of the Performance Security set forth be increased at the expense of the successful Bidder to a level sufficient to protect the DoT against financial loss in the event of default of the successful bidder under the Contract.

4.15 Clarification Process and Briefing Notes

In case of any queries or clarifications regarding this RFP package, please write to DoT at:

Additional Secretary Transport
Department of Transport
11A, Egerton Road,
Lahore, Pakistan
E-mail: as.transport.punjab@gmail.com
T: 0092 (0)42 9920 1158

In the interest of fairness, any clarifications issued to any bidder shall be posted on PPRA's

website www.ppra.punjab.gov.pk, Punjab Portal <http://www.punjab.gov.pk/transport>, and Lahore Transport Company website www.ltc.gop.com.

In case where DoT will require any explanations or clarifications on the proposals submitted by the bidders, DoT will contact the bidders in writing and the bidder shall be bound to respond within 3 days of the date of the communication. Such written responses received from the bidders shall become part of their proposals.

4.16 Pre-bid Meeting

As part of the bidding process a pre-bid meeting for potential bidders will be held on August 29, 2012 at 2 pm at the DoT committee room, 11-A Egerton Road, Lahore. Participation of potential bidders in this meeting though not mandatory, however, is encouraged. This meeting will be aimed at providing an opportunity to the potential bidders for seeking any clarifications or explanations on the bid documents, scope of services to be provided, bidding process or any other matter important to the bidders. In the interest of productiveness of the pre-bid meeting, the bidders are requested, as far as possible, to submit their questions in writing. Minutes of the Meeting, including the text of the questions raised and the responses thereof shall be transmitted without delay to all bidders.

4.17 Cost of Proposals

The bidders shall bear all costs associated with the preparation and submission of the proposals in response to this RFP, DoT shall in no case be responsible or liable for these costs, regardless of the conduct or outcome of the solicitation. Hence the costs of preparing the proposal/ offer as well as of negotiating the Agreement, including costs of participation in meeting will also not be reimbursable.

4.18 Confidentiality Issues

Information relating to the examination, clarification, evaluation, comparison of bids, and recommendations for the award of a contract, shall not be disclosed to any bidder or any other persons not officially concerned with such process until the award to the successful bidder has been announced. Any effort by a bidder to influence DoT's processing of bids or decisions pertaining to the award of procurement may result in the forthwith rejection of the bidder's proposal and forfeiture of the bid bond. Bidders authorize DoT to release any information that is reasonably required as part of the proposal evaluation process, which would otherwise be prevented by DoT from releasing due to confidential nature of such information.

The winning bidder shall not, during or after the term of Operation and Management of Buses Agreement, disclose any proprietary or confidential information relating to the project, the services, the agreement, or the DoT business or operations (other than for the purposes of provision of requisite services) without prior written consent of the DoT, unless such disclosure is required by Applicable Laws or regulations or such information is required for research purposes or has entered the public domain other than by a breach of the Agreement, or was already in public domain, or was already lawfully in the possession of the successful bidder at the time of such disclosure to them. Successful bidder shall protect such information from inadvertent disclosure to any third party in the same manner that they protect their own confidential information. Upon completion of the term of the Agreement, the provisions of this paragraph shall remain in force.

4.19 Due Diligence by Bidders

The information contained in this RFP package as well as any information appended hereto is being supplied to the bidders for their guidance only and the bidders at their own discretion may or may not use the information for the purposes of developing their proposals. DoT will not assume any responsibility or liability for completeness, accuracy or up-dation of such information. Similarly DoT assumes no responsibility or liability for completeness, accuracy or up-dation of the studies available with DoT. In this respect the bidders are requested to conduct their own due diligence involving their technical, financial and legal personnel to verify or develop their own assumptions for the purposes of bid development and submission. Potential bidders shall verify the accuracy, reliability and completeness of the information provided in this RFP, however, as stated earlier they are entitled to perform project due diligence and wherever necessary obtain independent advice from appropriate sources. DoT makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the project information. Each bidder shall conduct his own studies and analysis and is advised to collect and obtain any other information that may be necessary for evaluating the project and preparing the bid, at its own responsibility and cost. The bidders shall be deemed to have satisfied themselves before submitting their bids, as to the risks, contingencies and all other circumstances, which may influence or affect the project and subsequently their bids.

4.20 DoT's Right to Terminate the Process

Notwithstanding anything contained in this RFP the DoT reserves the right to accept or reject any proposal and to annul the bidding process and reject all proposals / bids, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereto. The DoT reserves the right, at any time without assigning any reasons, to:

- Cancel the bidding process
- Cancel or disqualify any bid submitted by the bidders
- Change/ alter any of the provisions of this RFP
- Reject any bid submitted after the expiry of time and date for submission of bids

The bidders shall protect and defend unconditionally as well as indemnify and hold DoT, or any other relevant government body/agency, its employees, directors and officers free and harmless from and against any and all liabilities, losses, claims, liens, demands, damages against any and all causes of action of every kind and character, including without limitation any judgments, penalties, interest, court costs and any legal fees incurred in enforcing this indemnity arising here under. DoT makes no representations, covenants, warranties or guarantees, express or implied, other than those expressly set forth in this document. DoT shall not be liable, in any case, for contingent or consequential, special or indirect damages.

4.21 Grounds for Disqualification

Without limiting or restricting the generality of clause 4.20 above:

1. DoT reserves the right to reject any proposal and/or bid without assigning any reasons, if:
 - i. At any time, a material misrepresentation is made or uncovered, or

- ii. The bidder is found to be insolvent, or
- iii. Any key personnel of the bidding organization or the consortia are found to be a proclaimed offender, or
- iv. The bidder does not provide, within the specified time, the supplementary information sought by DoT for evaluation of the proposal.
- v. The bid is found non-responsive.

Such misrepresentation / improper response shall lead to disqualification of the bidder. If bidder is a consortium, then the entire consortium shall be disqualified.

2. If such disqualification / rejection occur after the financial bids have been opened, but before signing of the Agreement, DoT reserve the right to:
 - i. Invite the remaining potential bidder(s) for consideration in accordance with the provisions of this RFP; or
 - ii. Take any such measures as it may deem fit at the sole discretion of DoT, including removal of an individual bidder and /or annulment of the whole bidding process.
3. DoT reserves the right to verify all statements, information and documents submitted by the bidders in response to the RFP. DoT's failure to undertake such verification shall neither relieve the bidder of its obligations or liabilities hereunder nor will it affect any rights of the DoT.

4.22 Manner of Opening of the Proposals

The manner of opening of the proposals should be read in conjunction with the Section 1.5. Technical proposals will be immediately opened after the end of deadline for submission of the proposals by the DoT's committee constituted for bid evaluation and the financial proposals shall remain sealed and securely stored. Upon completion of the technical evaluation process, bidders receiving technical score of 70% or higher will be short listed and invited to attend the opening of sealed financial bids. Financial bids of all unsuccessful bidders, who didn't qualify in the technical evaluation, shall be returned unopened, along with the bid security. Only financial proposals of technically qualified bidders shall be opened by DoT in front of authorized representatives of the bidders. After evaluation of the financial bid, the Bid security of unsuccessful bidders will be returned.

4.23 Proposal Considerations

4.23.1 DoT's Rights

In issuing this RFP, DoT retains the following rights:

1. Issuing addendum to the RFP, including extension or otherwise revising the timeline for submission of proposals.
2. Withdrawing, reissuing, or modifying the RFP.

3. Requesting clarification and/or additional information from the bidders at any point in the bidding process.
4. Executing procurement and supply agreement with a bidder on the basis of the original proposals and/or any other information submitted by the bidder during the bidding process.
5. Rejecting any or all proposals as may be deemed to be in the best interest of DoT and the project.
6. Accepting a proposal that does not offer the best possible, cost effective solution or offers the best overall value, which DoT determines is in the best interest of the public of Punjab, based on the bidder's qualifications, technical proposal, financial strength, willingness to accept contractual terms as well as its cost of proposal.
7. Discontinuing its discussions after commencing it with a selected bidder, if progress is unsatisfactory in the judgment of DoT, and commencing discussions with another qualified bidder.

4.23.2 Consequence of Submission of Proposal

The submission of a proposal shall not, in any way, be deemed an agreement between the potential bidder and DoT. Specifically, the following provisions apply upon submission of proposals by the bidders:

1. DoT shall not be obligated to respond to any proposal submitted nor be bound in any manner by the submission of a proposal.
2. Acceptance of a proposal by the DoT obligates the bidder to enter into good faith agreement negotiations based on the proposal submitted.

4.24 Post Qualification of the Bidder

- a. The DoT will determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated and substantially responsive Bid is qualified to perform the Contract satisfactorily.
- b. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder.
- c. An affirmative determination shall be a prerequisite for award of the Contract to the Bidder. A negative determination shall result in disqualification of the Bid, in which event the DoT shall proceed to the next lowest evaluated bid to make a similar determination of that Bidder's capabilities to perform satisfactorily.

4.25 Award of Contract

The DoT will award the Contract to the Bidder whose bid has been determined to be substantially responsive to the Bidding Documents and who has claimed the lowest subsidy against particular route (s), provided that such Bidder has been determined to be eligible.

The DoT, at any stage of the bid evaluation, having credible reasons for or *prima facie* evidence of any defect in operator capacities, may require the operator to provide information

concerning their professional, technical, financial, legal or managerial competence whether already pre-qualified or not:

Provided that such qualification shall only be laid down after recording reasons therefore in writing. They shall form part of the records of that bid evaluation report.

4.26 Notification of Award

Prior to expiration of the period of bid validity prescribed by the DoT, the DoT will notify the successful Bidder in writing (“Letter of Acceptance”) that his/her Bid has been accepted. This letter shall name the sum which the DoT will pay the operator in consideration of the operation and management of the bus services as prescribed in the bidding document by the bidder.

The notification of award and its acceptance by the Bidder will constitute the formation of the Contract, binding the DoT and the Bidder till signing of the formal Contract Agreement.

Upon furnishing by the successful Bidder of a Performance Security, the DoT will promptly notify the other Bidders that their Bids have been unsuccessful and return their bid securities.

4.27 Signing of Contract Agreement

Within 10 days from the date of furnishing of acceptable Performance Security under the Conditions of Contract, the DoT will send the successful Bidder the Contract Agreement in the form provided in the Bidding Documents, incorporating all agreements between the parties.

The formal Agreement between the DoT and the successful Bidder shall be executed within 10 days of the receipt of the Contract Agreement by the successful Bidder from the DoT.

4.28 General Performance of the Bidders

The DoT reserves the right to obtain information regarding performance of the bidders on their previously awarded contracts. The DoT may in case of consistent poor performance of any Bidder as reported of previously awarded contracts, inter alia, reject his /her bid and proceed in accordance with Punjab Procurement Rules 2009 to take such action as may be deemed appropriate under the circumstances of the case including black listing of such Bidder and debarring him /her from participation in future bidding for operation services.

4.29 Integrity Pact

The Bidder shall sign and stamp the Integrity Pact provided at Annex-E to bid in the bidding documents for all GoPb procurement contracts exceeding Rupees Ten million. Failure to provide such Integrity Pact shall make the bidder non-responsive.

4.30 Instructions not Part of Contract

Bids shall be prepared and submitted in accordance with these instructions which are provided to assist Bidders in preparing their bids, and do not constitute part of the Bid or the Contract Documents.

4.31 Change in Laws and Regulations

Unless otherwise specified, if after the date of the Invitation for Bids, any law, regulation, ordinance, order or bylaw having the force of law is enacted, promulgated, abrogated, or changed in Punjab, Pakistan that subsequently affects the Agreement Signing Date and/or the Subsidy (capital or operational) Price, then such Agreement Signing Date and/or Subsidy (capital or operational) Price shall be correspondingly increased or decreased, to the extent that the operator has thereby been affected in the performance of any of its obligations under the Contract. Notwithstanding the foregoing, such additional or reduced cost shall not be separately paid or credited if the same has already been accounted for in the price adjustment provisions where applicable.

4.32 Extensions of Time

If at any time during performance of the Contract, the operator or its personal should encounter conditions impeding timely and efficient delivery of the services, the operator shall promptly notify the DoT in writing of the delay, its likely duration, and its cause. As soon as practicable after receipt of the operator's notice, the DoT shall evaluate the situation and may at its discretion extend the operator's time for performance, in which case the extension shall be ratified by the parties by amendment of the Contract.

Except in case of Force Majeure, a delay by the operator in the performance of its Services and Completion obligations shall render the operator liable to the imposition of liquidated damages mentioned in the contract, unless an extension of time is agreed upon.

4.33 Margin of Preference

Unless otherwise specified in the Bidding Data, no margin of preference shall apply.

[Domestic Preference shall be applicable in case of International Competitive Bidding as per policy of the government, in accordance with the procedure given in the Bidding Data.]

SECTION-5
INFORMATION REQUIRED FROM BIDDERS

SECTION-5

INFORMATION REQUIRED FROM BIDDERS

5.1 Technical Proposal

The bidders are required to submit following basic documents for technical assessment:

- 1- Details related to experience of operation and maintenance of buses with all supporting documents proofs.
- 2- List of firm's major international and national clientele.
- 3- Organizational Structure of the firm /company.
- 4- Technical capabilities in terms of human resources including owner/ director bio data etc.
- 5- Total number of buses to be operated along-with induction plan indicating number of phases and number of buses to be plied /operated on a particular bus route (s).
- 6- Valid GST and NTN company registration certificates (for local representative company and the same and the prevalent documents as applicable in the region/origin of operations of Principal enterprise).

Note: In addition to the above documents, DoT may require additional documents in support of evidence against technical evaluation criteria as mentioned in section 6.

5.2 Financial Proposal

The financial proposal must be submitted in a separate sealed envelope on letterheads, indicating the name of the company, containing:

Detailed subsidy schedule demanded on particular route (s) in PKR.

Note: In addition to the above documents, DoT may require additional documents in support of evidence against financial evaluation criteria as mentioned in Section 6.

SECTION-6

CRITERIA FOR ASSESSMENT OF

TECHNICAL AND

FINANCIAL PROPOSALS

SECTION-6

TECHNICAL AND FINANCIAL EVALUATION CRITERIA

This section of RFP includes technical and financial evaluation for operation of buses.

6.1 Technical Evaluation Criteria

Sr. No.	CRITERIA	MAXIMUM POINTS
I	Previous experience of Bus Operations	10
	One (01) point will be awarded for each year experience in bus operation /service delivery. A maximum of ten (10) points can be achieved for 10 years or above experience. The operator must have minimum one (01) year's experience; no points will be awarded to operator less than one (01) years experience in this field.	
II	Number of Routes being Operated (Inter-city, Intra-city)	10
	Maximum of ten (10) points will be awarded to the operators having more than three (03) operational routes; for two (02) or three (03) routes being operated seven (07) points will be awarded while five (05) points will be awarded for one (01) operational route.	
III.	Maximum Fleet Maintained and Operated	10
	Operators having fleet size of five (05) will be awarded three (3) points , operators having fleet size from Six (06) to ten (10) will be awarded five (05) points , operators having fleet size from eleven (11) to fifteen (15) will be awarded seven (07) points and maximum points of ten (10) will be awarded to the operator with fleet size greater than fifteen (15).	
IV.	Human Resource managed by company	10
	Operators having human resource up to twenty (20) will be awarded least point of three (3) points , operator having human resource from twenty one (21) to thirty (30) will be awarded five (5) points , operator having human resource from thirty one (31) to forty (40) will be awarded seven (7) points and maximum points of ten (10) will be awarded to the operator having human resource greater than forty (40).	
V.	Time required to start Operations	30
	Maximum thirty (30) points will be awarded to the operators who will start bus operations within sixty (60) days, twenty (20) points will be awarded against seventy five (75) days starting time and fifteen (15) points will be awarded to the operator who will start bus operation within ninety (90) days after selection.	
VI.	Annual Turnover	10
	Maximum of ten (10) points will awarded to the operator with annual turnover of one hundred (100) Million, seven and a half (7.5) points will be given to the operator with annual turnover of seventy five (75) Million, five (5) points will be awarded to the operator with annual turnover of fifty (50) Million while two and a half (2.5) points will be awarded to the operator with annual turnover of twenty five (25) Million.	
VII	Net Worth	10
	Maximum of ten (10) points will awarded to the operator having net worth of PKR greater than Rs. 150 Million, five (05) points will be awarded to operator having net worth of PKR greater than 100 Million and equal to 150 Million. Two and a half (2.5) points will be awarded to operator having net worth of PKR less than 100 Million or equal ot seventy five (75) Million.	
VIII	Number of Buses bid for	05
	Maximum of five (05) points will be awarded to the operator with ten (10) or more buses demanded, four (04) points will be awarded to operator having demand of seven (07) to nine	

	(09) buses while three (03) points will be awarded to those operators having demand of five (05) to six (06) buses.
IX	Number of Routes bid for 05
	Maximum of five (05) points will awarded to the operator which will bid on five (05) or above routes, four (04) points will be given against four (04) routes, three (03) points against three (03) routes and two (02) points will be awarded to the operator with less than three (03) routes.
	Overall Total 100
Note: The prospective operator must obtain 70% or more score to qualify technical evaluation.	

The DoT will assess bidders based on the following financial evaluation criteria

6.2 Financial Evaluation Criteria

Financial evaluation will be based on the lowest amount of subsidy demanded by the Operator on particular route (s). In case a prospective bidder is competing for multiple routes then his/ her bid will only be considered for the route(s) having lowest subsidy in comparison to all other submitted bids; provided that the proposed bid is legally valid.

6.2.1 Subsidy Schedule

The prospective operator will furnish detailed subsidy schedule demanded on particular route (s) in PKR as below.

Operational Subsidy Evaluation Criteria					
Name of City	Route #	Route Length (Km)	Average Headway (Minutes)	Number of Buses	*Operational Subsidy / Bus /Km Demanded

***As per approved specifications by the DoT i.e. 12 m standard diesel A/c Bus with minimum 39 seating capacity.**

Note: The operational subsidy demanded will be review and revalidated on the basis of passenger demand through surveys and installation of fleet management system by an independent third party approved by DoT.

SECTION-7

Annexes

**Annex – A: Bidding Document Performa to Be
filled IN**

Checklist of the Documents to be submitted for Technical Evaluation

Sr. No	Document	Please Tick if Attached
1	Performa A - Previous Experience of Bus Operations	
2	Performa B - Number of Routes being Operated	
3	Performa C - Maximum Fleet Maintained and Operated	
4	Performa D - Human Resource Managed	
5	Performa E - Time Required to Start Operations	
6	Performa F - Annual Turnover	
7	Performa G - Net Worth As Per Audited Report	
8	Performa H – Number of Buses bid for	
9	Performa I – Number of Routes bid for	
10	Schedules a. Calculation of Subsidy b. Data Sheet for allocation of Bus Routes	
11	Undertaking	
12	Power of Attorney for the Bid Signatory	

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Note: The other documents mentioned in section 5 will also be furnished along with bid documents

Performa A – Previous Experience of Bus Operations

Max: 10 Points

Select appropriate box, use tick in one box			
One point will be awarded for experience of one year. A maximum of 10 points can be achieved for 10 or more years experience.			
No. of Bulk Supply Orders	Allocated Points	Tick Box Below	Points Awarded (To be Filled By DoT)
One	1		
Two	2		
Three	3		
Four	4		
Five	5		
Six	6		
Seven	7		
Eight	8		
Nine	9		
Ten or above	10		
Total Points Scored			

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Performa B – Number of Routes being Operated (Inter-city and Intra-city)

Max: 10 Points

(Attach details)

Select appropriate box, use tick in one box.			
Operational Routes	Allocated Points	Tick Box Below	Points Awarded <i>(To be Filled By DoT)</i>
More than 3	10		
2 or 3	7		
1	5		
Total Points Scored <i>(To be Filled By DoT)</i>			

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Performa C – Maximum Fleet Maintained and Operated

Max: 10 Points

(Provide documented proof)

Select appropriate box, use tick in one box.			
Fleet Size	Allocated Points	Tick Box Below	Points Awarded <i>(To be Filled By DoT)</i>
Greater than 15	10		
11 to 15	7		
6 to 10	5		
5	3		
Total Points Scored <i>(To be Filled By DoT)</i>			

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Performa D – Human Resource Managed

Max: 10 Points

(Provide documented proof)

Select appropriate box, use tick in one box.			
Managed Human Resource	Allocated Points	Tick Box Below	Points Awarded <i>(To be Filled By DoT)</i>
Greater than 40	10		
31 to 40	7		
21 to 30	5		
Up to 20	3		
Total Points Scored <i>(To be Filled By DoT)</i>			

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Performa E – Time Required to Start Operations

Max: 30 Points

Select appropriate box, use tick in one box.			
Time Required	Allocated Points	Tick Box Below	Points Awarded <i>(To be Filled By DoT)</i>
Within 60 days after selection	30		
Within 75 days after selection	20		
Within 90 days after selection	15		
Total Points Scored <i>(To be Filled By DoT)</i>			

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Performa F – Annual Turnover

Max: 10 Points

(Provide documented proof)

Annual Turn Over of the Company (Million)	Allocated Marks	Points Awarded (To be Filled By DoT)
Rs. 100 Million	10	
Rs. 75 Million	7.5	
Rs. 50 Million	5	
Rs. 25 Million	2.5	

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Performa G – Net Worth As Per Audited Report

Max: 10 Points

(Provide documented proof)

Select appropriate box, use tick in one box.			
Amount in PKR	Allocated Points	Tick One Box Below	Points Awarded <i>(To be Filled By DoT)</i>
PKR Greater than Rs. 150 Million	10		
PKR Greater than 100 Million and Equal to 150 Million	5		
PKR less than 100 Million or equal to 75 Million	2.5		
Total Points Scored <i>(To be Filled By DoT)</i>			

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Performa H – Number of Buses bid for

Max: 05 Points

(Provide documented proof)

Select appropriate box, use tick in one box.			
Number of Buses	Allocated Points	Tick One Box Below	Points Awarded <i>(To be Filled By DoT)</i>
10 and above	5		
7 to 9	4		
5 to 6	3		
Total Points Scored <i>(To be Filled By DoT)</i>			

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Performa I – Number of Routes bid for

Max: 05 Points

(Provide documented proof)

Select appropriate box, use tick in one box.			
Number of Routes	Allocated Points	Tick One Box Below	Points Awarded <i>(To be Filled By DoT)</i>
5 routes and above	5		
4 routes	4		
3 routes	3		
Less than 3	2		
Total Points Scored <i>(To be Filled By DoT)</i>			

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Schedules

All the schedules mentioned to be provided on letterhead with sign and stamp of authorized signatory (ies).

Schedule A

Subsidy Schedule

We, M/s (Name of the bidder/firm) hereby certify that we demand operational subsidy as indicated below:-

Operational Subsidy Demand					
Name of City	Route #	Route Length (Km)	Headway (Minutes)	No. of Buses	Operational Subsidy / Bus /Km Demanded

Yours faithfully,

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Note:

- 1) Separate financial bid will be submitted for each route bid for.
- 2) Number of buses and headway may be adjusted by DoT as per passenger demand.
- 3) The operator may be asked to justify the cost bid for.

Schedule B

Data Sheet for Allocation of Bus Routes (To be filled by Operator)

Sr. No.	Route Number(s) and Alignment Bid for	Minimum No. of buses required	Total Route Length (Km)	Average Headway (Peak / Off Peak) (Minutes)	Round Trip Time (Minutes)
1.					
2.					
3.					
4.					
5.					

Yours faithfully,

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

UNDERTAKING

(On the Letterhead of the Bidder)

To,

The Additional Secretary Transport
Department of Transport
11A, Egerton Road,
Lahore, PAKISTAN

Subject: **Submission of Bid comprising Bid Security, Technical and Price Bids for
Operation and Maintenance of Buses in [City Name and Route No]**

Dear Sir,

We confirm that we are not blacklisted by any Government Department/ Authority/
Agency/ Institution or any local government in Pakistan or abroad from participating in
Procurement, Operation and Maintenance of Buses as on (Bid
Due Date)

Yours faithfully,

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Power of Attorney for the Bid Signatory

{On Requisite Stamp Paper}

KNOW ALL MEN by these presents that we [name of the Company], having its Registered Office at [Address of the Company] (hereinafter referred to as “Company”):

WHEREAS in response to the Request for Proposal (RFP) for Procurement, Operation and Maintenance of buses in ____ [City Name and Route No] , (“Project”), the Company is submitting Bid Comprising Technical and Price Bids for procurement, operations and maintenance of City A/C buses to DEPARTMENT OF TRANSPORT (DoT), and is desirous of appointing an attorney for the purpose thereof. WHEREAS the Company deems it expedient to appoint Mr. _____ son of _____ resident of _____, holding the post of _____ as the Attorney of the Company.

NOW KNOW WE ALL BY THESE PRESENTS, THAT _____ [name of the lead member company] do hereby nominate, constitute and appoint.....[name & designation of the person].....as its true and lawful Attorney so long as he is in the employment of the Company to do and execute all or any of the following acts, deeds and things for the Company in its name and on its behalf, that is to say :

To act as the Company’s official representative for submitting the Bid comprise Technical Bid and Financial Bid for the said project and other relevant documents in connection therewith;

To sign all the necessary documents, papers, testimonials, applications, representations and correspondence necessary and proper for the purpose aforesaid;

To receive Letter of Award (LOA) and sign contracts /agreements for the propose aforesaid;

To tender documents, receive and make inquiries, make the necessary corrections and clarifications to the Bid and other documents, as may be necessary;

To do all such acts, deeds and things in the name and on behalf of the Company as necessary for the purpose aforesaid.

The common seal of [name of the company] was here unto affixed pursuant to a resolution passed at the meeting of Committee of Directors held on --- Day of -----, 2012 in the presence of [name & designation of the person] and countersigned by [name & designation of the person] of the Company of [name of the company]	<hr/> [Name and designation of person]
--	---

Annex - B

List of Available Urban Routes in Major Cities of the Punjab

Disclaimer:

- 1) Based on 2006 survey by University of Engineering & Technology (UET), the observed number of buses required on available routes in Multan, Gujranwala, Rawalpindi, Faisalabad and Lahore has been indicated. The operator is required to make his own assessment verifying current demand. Route Length may also verified by the operator for his satisfaction.
- 2) Routes in Sialkot, Bahawalpur, Sargodha and D.G Khan are newly proposed routes. The Operator should verify/assess the required number of buses and other parameters at his level.

ROUTE ALIGNMENTS

The number of vacant urban routes in different cities.

LAHORE ROUTES (Notified)

Sr. No.	Route No.	Route Alignment	Total Route Length (Km)	Buses required as per 2006 Survey
1.	B-7	Railway Station to Salamatpura Pind via Garhi Shahoo, Asif Centre, Canal Bridge, Chobucha, Mughalpura, Shalamar Hospital, Shalamar Chowk, Sukh Nehar, Daroghewala, Salamatpura Pind	12.4	
2.	B-19	Old Ravi Bridge To Chungi Amar Sidhu via Bund road, Bakar Mandi, Yateem Khana, Scheme Mor, allama iqbal town, Sheikh zaid hospital, Barkat Market, Model town, Qainchi, Chungi amirsidhu	25	
3.	B-30	General Bus Stand to Kala Khatia via Azadi Chowk, Batti Chowk, Shahdara Chowk, Shahdara Railway Station, Narang Mor, Kot Muhammad Hussain, Khawaja Kot, Bherth, Babakwal	18	
4.	B-32	Bhati to Rana Town via Azadi Chowk, Batti Chowk, Shahdara Mor, Immamiya Colony, Rana Town	12.6	
5.	B-38	Railway Station to Shair Shah Colony via Railway Headquarters, Shimla Hill, LDA Plaza, Zoo, Faisal Chowk, Queens Road, China Chowk, Shadman, Shama, Ichhra, Wahdat Road, Campus Pull , Shah di Khoui, Doctors Hospital, Canal View, Thokar Niaz Beg, Shair Shah Colony	28.3	
6.	B-42	Railway Station to Altaf Colony via Railway Hospital, Ghari Shahoo, Asif Center, Dharmapura, Saddar Chowk, Ghaziabad Chungi, Ghaziabad, Nizamabad, Ashfaq Chowk, Bismillah Chowk, Altaf Colony	10.2	
7.	B-45	Shahdara Town to Shadman Market via Shahdman Mor, Batti Chowk, Azadi Chowk, Bhati, District Courts, Anarkali, High Court/G.P.O, Faisal Chowk, Queens Road, Mozang Chungi, Shama, Shadman Market	15.5	
8.	B-46	LESCO (Defense) to Allama Iqbal Airport via FF Commercial Market, Punjab Co-operative Housing Society, General Hospital, Qainchi, Khayaban-e-Iqbal, Faisal Shaheed Chowk, Garrison College, R.A. Bazar, Fougi Foundation, Nadir Abad, Bhatta Chowk, Air Avenue, Airport Mor, Allama Iqbal Airport	18	
9.	B-47	General Bus Stand to Badhana via Railway Station, Canal Bridge, Dharamapura, Saddar, Jhoray Pull, Ghazi Mor, Klass Mari, Bhangali, Barki, Hudyara, Dyosami	43	
10.	B-48	General Bus Stand to Manga via Bhati, Secretariat, Yateem Khana Chowk, Niaz Beg, Manga	42	

FAISALABAD ROUTES (Notified)

Sr. No.	Route No.	Route Alignment	Total Route Length (Km)	Buses required as per 2006 Survey
1.	B-1	Chungi No. 10 to Makkuana via Siddhu Pura, Faisalabad, Subhan Allah, Adam Chowk, Razaabad, Jinnah Colony, Narwala Chowk, University/Jail, Session Court Koh-e-Noor, Dudiwala, etc.	20.3	
2.	B-2	Chungi No. 10 to D-Type Colony via Qadir Abad Chowk, Nishasta Chowk, Lateef Chowk, Liaquat Chowk, Railway Station, Abdullah Pur, Waris Pura, Gate People's Colony, etc.	18.5	
3.	B-3	Shalimar Town to Manawala via Ghousia Chowk, Purani Central Jail, Ghaou Shala, Jhang Bazar, Imam Bargah Chowk, Narwala Chowk, Pul Nishat Abad, Mansoor Abad, etc.	15.4	
4.	B-4	Main Terminal to sattiyana via Eid Gah Road, Jail Road, Agriculture university, District Courts, State Bank, GTS Chowk, Jhal Khanowan, Saleemi Chowk, Toll Taxm Fish Farm, 226-Malakhanwala, Khanowan, Sattivana, etc.	29.6	
5.	B-5	Nager (Chak No. 225) via Millat Chowk, Bholey Di Chungi, Jamiya Chrishtiya, Islamia College, Lari Adda, Channab Chowk, Rail Bazar/Gumti, Katchari Bazar, Channiot Bazar, Main terminal Immam Bargah, Jhang Bazar, Ghaou Shala, Purani Central Jail, Nawalti Pul, Bilal Chowk, Madni Chowk, Qadri Chowk, D-type Pull, Fauji Chowk, D-type Gol Chakar, 224 Wazir aetc.	21.8	
6.	B-6	Chak No. 204 to Bagh via Jattan Wala Chowk, Bismillah Chowk, Madina Town Girls College, Faizan-e-Madina, Susan Road, Abdullah Pur/M. Tax Chowk, Railway Station, G.T.S. Chowk, Katchari Bazar, Chinniot Bazar, Main Terminal, Narwala Adda, Thana Gulberg, Mor Qabristan, Razabad, Choor Majra, 79 Mor, Marzi Pura, Chaikra, Sultan Town, Narwala Bangla, Kaleem Shaheed Park, Shair Singh Wala etc.	24.5	
7.	B-7	Sudhar Bye-Pass to Gatt Wala Pull via Arif Road, Mor Sabzi Mandi, Rehmat Colony, Air Port Mor, Pull Choula, Nayyab Colony, Purani Chungi, Shadab Colony, Gulafshan Colony, Ayoub Colony, Partab Nagar, Purani Sabzi Mandi, Narwala Chowk, Main Terminal, Chinniot Bazar, District Jail, Agriculture University, Education Board, Rafique Colony, Akbarabad Mor, Alied Hospital, Bholey Di Jhugi, Millat Chowk, Haji Abad, Nishat Abad, Sugar Mil Mor, Malik Pur, Manaanwala, Sabeena Town, Arif Road, Gatt Wala Pull	28	
8.	B-8	New Sabzi Mandi to Dry Port via Mor Sabzi Mandi, Rehmat Colony, Airport Mor, Pull Choula, Nayyab Colony, Purani Chungi, Gulafshan Colony, Ayoub Colony, Partab Nagar, Channab Chowk, Narwala Chowk, Main Terminal,	31	

		Chinniot Bazar, District Jail, Agriculture University, Education Board, Rafique Colony, Akber Abad Mor, Allied Hospital, Allied Mor, Bholey Di Jhugi, Millat Chowk, Haji Abad, Nishat Abad, Sugar Mills, Bhai Wala Gatti		
9.	B-9	Main Terminal (Eid Gah Road) to Dijkot via Police Line, District Courts, State Bank, G.T.S. Chowk, Jhal Khanowan Pull, Shabnam Cinema, Narwalti Pull, Pull D-Type, Pull Khorriyan, Chungi No. 15, Abdullah Pull, Irfan Mill, Bye-Pass, Jhal Roshan Wala, Darbar Sufi Barkat, Dalo Wal, Mazhabi Wala, Mor Jahangir, Ganga Singh, Dijkot	20	
10.	B-10	Main Terminal to Diyyal Garh via Chinniot Bazar, Katchari Bazar, Rail Bazar, Chanab Club, Lari Adda, Islamia College, Jamiya Chishtiya, Millat Chowk, Noor Pur, Green Town, Gokhowal, Ghunna Mor, Dhanaula, Diyyal Garh, etc.	16.9	
11.	B-11	Khurrian Wala to Nawaban Wala via Sheran Wala Lathiyan Wala, Choudhary House, Gatt Wala Pull, Faisal Garden, Hamdard University, Steam Power Kashmir Pull, Paipan Wala, Rafhan Mills, Canal Road, Abdullah Pull, Railway Station, G.T.S chowk, Gumti Katchari Bazar, Gaou Shala, Purani Central Jail, Samanabad College, Phattak Jawal Nagar, Science College, Madni Chowk, Nisar Colony, Chhattri Chowk	30	

GUJRANWALA ROUTES (Notified)

Sr. No.	Route No.	Route Alignment	Total Route Length (Km)	Buses required as per 2006 Survey
1.	B-6	<u>Behari Colony to Rahwali Cantt.</u> via Super Market, Peoples Colony, Mini Market, Nigar Phattak, Peoples Colony Mor, Sheikhupura Mor, Sheeranwala Bagh, Main Terminal, Gondlanwala Chowk, General Bus Stand, Shareef Pura, Shama Cinema, Gulshan Iqbal Park, Shaheen Abad, Climax Abad, Aziz Cross (Pindi Bye-pass)	14	
2.	B-7	<u>Zamindara Stand to Dharam Kot Chowk</u> via Pasroor Road, Talwandi, Pasroor Bye-Pass, Freed Town, Zamindara D-Class Stand	17	
3.	B-8	<u>Tatley Aali to Aziz Cross</u> via Khiali Chowk, Siddique Saddiq Hospital, Sheikhupura Mor, Shairanwala Bagh, Main Terminal, Gondlanwala Chowk, General Bus Stand, Shareef Pura, Shama Cinema, Gulshan Iqbal Park, Shaheen Abad, Climax Abad, Aziz Cross (Pindi Bye-pass)	20	

MULTAN ROUTES (Notified)

Sr. No.	Route No.	Route Alignment	Total Route Length (Km)	Buses required as per 2006 Survey
1.	B-6	<u>Wapda Town to Railway Station</u> via Model Town, Bye-Pass Mor, Toyota Motor, Chungi No.6, Gol Bagh/Bason Road College, Pizza Hut, Al-Khair University, Tehsil Chowk, Law College Multan, Chungi No.9, Chungi No.8, Chungi No.7, Kachehri Chowk, Bahawal Pur Road, SP, Chowk, Bamanjee Chowk Aziz Hotel, Railway Station	11.2	
2	B-7	<u>Dera Adda to Qadir Pur Rawan via</u> Nawan Shaheer Chowk, Kalma Chowk, Art Council, MDA Chowk, Katchehri, Chungi No. 7, Chungi No. 8, Law College Multan, Chungi No. 9, Eid Gah, Rasheedabad/Fatima Center, Wapda Colony, Kadafi Chowk, Raja Pur, Sadiqabad, Bye-Pass, Qadir Pur Rawan.	27.1	
3	B-4	<u>General Bus Stand to Bund Bosan</u> Via Under Pass, Thana Mor, Madni Chowk, Kadafi Chowk, Wapda Colony, Rasheedabad Chowk/Fatima Center, Eid Gah, Chungi No. 9, Law College Multan, Tehsil Chowk, Bosan Road College, Chungi No. 6, Toyota Motor, Bye-Pass, Baha-ud-Din Zikriya University, Akbar Shah University, Pakkey Wala, Pakki Pulli, Gulshan Iqbal, Bund Bosan	27.3	

RAWALPINDI ROUTES (Notified)

Sr.No.	Route No.	RAlignment	Total Route Length (Km)	Buses required as per 2006 Survey
1.	B-1	<u>Flashman Park to Pakistan Secretariat' Islamabad</u> via Mareer Chowk, Liagat Bagh, Committee Chowk, Waris Khan, Naz Cinema, Jewelers Market, RGH, Sadigabad, Rehmanabad, Sixth Road, Public Park, Shamsabad, Faizabad, Zeero Point, Fire Brigade, CDA, Aabpara, Melody, GPO, Polly Clinic, China Chowk, Super Market.	25	
2.	B-2	<u>Railway Station Rawalpindi to Pakistan Secretariat Islamabad</u> via Railway Road, Kamran Chowk, Mareer Chowk, Murree Road, Liaqat Bagh, Committee Chowk, Waris Khan, Naz Cinema, Jewelers Market, RGH, Sadigabad, Rehmanabad, Sixth Road, Public Park, Shamsabad, Faizabad, Zeero Point, Fire Brigade, CDA, Aabpara, Melody, Lal Quarters, Fazal-e-Haq Road, China Chowk, Super Market.	28	
3.	B-3	<u>Dhoke Syedan Chowk to Karachi Company G-9 Markiz</u> via Bakra Mandi Chowk, Chungi No. 22, R.A Bazar, GPO, Kamran Chowk, Mareer Chowk, Liaqat Bagh, Tepu Road, Rawal Road, Chandni Chowk, National Market, Kali Tanki, Haideri Chowk, College Chowk, Gulzar Hotel, Saidpur Road, Pandora, 1/9 Police Station, 07-Up Chowk, Education Stop, Peshawar Morr Masjid Stop.	20	
4.	B-4	<u>Biscuit Factory Dhmyal to Noorpur Shahan</u> via Bakra Mandi Chowk, Chungi No.22, T & T Chowl, GPO, Kashmir Road, Kamran Chowk, Mareer Chowk, Liaqat Baqh, Committee Chowk, Waris Khan, Naz Cinema, Jewelers Market, RGH, Sadigabad, Rehmanabad, Sixth Road, Public Park, Shamsabad, Faizabad, Zeero Point, Fire Brigade, CDA, Aabpara, Foreign Office, P.M ecretariat, Diplomatic Enclave, President House Colony.	34	
5.	B-5	<u>Adyala Jail to Faisal Masjid</u> via Adyala Road, Culshanabad, Rehman Markiz, Jarahi, Askari-7, 502-Workshop, Lalkurti, Chungi No. 22, R.A. Bazar, T & T Chowk, Mail Road, But Malka Chowk, Mareer Chowk, Liaqat Bagh, Committee Chowk, Waris Khan, Naz Cinema, Jewelers Market, RGH, Sadigabad, Rehmanabad, Sixth Road, Public Park, Shamsabad, Faizabad, Zeero Point, T & T Chowk, PIMS, Markz F/8, Shaheen Chowk, Navel Complex, Faisal Masjid (return R.A. Bazar, Zairat Chowk, CMH.)	25	
6.	B-6	<u>Tarnol to Hamrahi Adda</u> via Golra Morr, Koh-e-Noor Mills, Pirwadhai Morr, Chur Chowk, Charring Cross, Radio Pakistan, Race Course, M.H, Mall Road, T & T Chowk, But Malka Chowk, Mareer Chowk, Rashid Menhas Road, F.J University, Katchery Chowk, Ayoub Park, Al-Shifa, Fauji Foundation, Swan Adda.	35	

7.	B-7	<u>Humak Model Town to Pakistan Secretariat Islamabad</u> via Kahutta Morr, Gohra Syedan, Swan Camp, Fauji Foundation, Al-Shifa, Morgah Morr, Katchery Chowk, Jhanda, 501-Workshop, Rahimabad, Airport, Dhok Hafiz, Gulzar-e-Qaid, Airport Chowk, Karal Chowk, Fazaia Town, Khanna Pull, Kurri Road, Dhoke Kala Khan, Faizabad, Zero Point, Fire Brigade CDA, Aabpara, Melody, GPO, Poly Clinic, China Chowk, Super Market.	38	
8.	B-8	<u>Railway Station to Taxila</u> via Railway Road, Transit Camp, Baikery Chowk, Chur Chowk, Pirwadhai Morr, Koh-e-Noor Mills, Golra Morr, EME College, Jhangi Syedan, Motorwa Stop, Ternol, Sangjani By pass.	38	
9.	B-9	<u>General Bus Stand to Faisal Masjid</u> via 1.1 Principal Road, Faizabad, Zeero Point, Fire Brigade, CDA, Aabpara, Melody, GPO, Poly Clinic, China Chowk, Super Market.	25	
10.	B-11	<u>Railway Station Rawalpindi to Golra Sharif</u> via M.H, Radio Station, Charring Cross, Church Chowk, Pirwadhai Morr, Koh-e-Noor Mills, Golra Morr, Mera Jaffar, Golra Railway Station.	23	

SARGODHA ROUTES (Proposed)

Sr. No.	Route No.	Route Alignment	Total Route Length (Km)	Buses required
1.	B-1	49-Tail to Sakesar Via Sultan Mills, Guard Room awan colony, District Jail, Katchery Chowk, Railway Phattak, Bomb Chowk, Masjid-e-Shuhada, Wapda Colony, Jhang Morr, Aziz Bhatti Town, Jahl Chakian Maari, Lak Morr, Uttian Sakesar.	31.7	
2.	B-2	Noori Gate to Adda Chak 46-SB Via Katchery Chowk, Zarar Tarqati Bank Chowk, Railway Station Chowk, Zaffarullah Chowk, Satelilite Town Chowk, General Bus Stand, Qainchi Morr, Chowk Pull 47, SCARP colony, Secondary Education Board Commerce College, 49-Tail, Karana Bangla, Pull 111-SB, Adda Chak No. 46-SB.	27.8	
3.	B-3	Noori Gate to Choki Bhagat Via Trust Plaza, Fatima Jinnah Road, Bala Market, Islampura Pull, Satellite Town, Qainchi Morr, Saem Nallah, Chak NO. 9-SB, Wapda Town, Choki Bhagat.	28.2	
4	B-4	Adda-47 to Shahpur City Via Daewoo Terminal, Fatima Hospital, Beacon House, University of Sarghoda, Rehman Plaza, Club Chowk, Khayam Cinema Chowk, Hospital Chowk Noori Gate, Wapda Colony, Jhang Morr, Aziz Bhatti Town, Jhal Chakian, Hyderabad Town, Dhrema, Balgowal, Jahanabad, Jala-d-Gorh, Yousaf Sugar Mills, Shahpur Saddar, Aaqil Shah, Shahpur City.	38.9	
5	B-5	General Bus Stand to Sahiwal Via Satellite Town Chowk, Islampura Pull, bala Market, Trust Plaza, Noori Gate, Wapda colony, Jhang Morr, Chak Post, Chak No. 84-NB, Chak No. 92-NB, Chaway Wala, Saiwal.	40	
6	B-6	Noori Gate to Chak No. 46 Via Shaheen Chowk, bomb Chowk, Katchery Chowk, Circuit House, Chowk Convent School, Chowk Pul 47, Commerce College, Secondary Education Board, 49-Tail, Karana Bangla, Pull Chak No. 111-SB, Chak No. 46-SB.	28.4	

DERA GHAZI KHAN ROUTES (Proposed)

Sr. No.	Route No.	Route Alignment	Total Route Length (Km)	Buses required
1.	B-1	DG Khan to Kot Chutta Via General Bus Stand to Pul Piaray Wali, Pul Piarary Wali to Traffic Chowk, Traffic Chowk to Hospital Chowk, Hospital Chowk to Kachehry Chowk, Kechehry Chowk to Educator Chowk, Educator Chowk to Waqar Canteen, Waqar Canteen to Pul Daat, PUI Daat to Pul Shoria, Pul Shoria to Ghazi Mills, Ghazi Mills to Maamory Chowk, Maamory Chowk to Piagah, Piagah to Farooq Floor Mills, Farooq Mills to Ali Wala, Ali Wala to Noor Wala, Noor Wala to 33 Wala Morh, 33 Wala Morr to Kot Chutta	23.80	

BAHAWALPUR PROPOSED ROUTES (Proposed)

Sr. No.	Route No.	Route Alignment	Total Route Length (Km)	Buses required
1.	B-1	General Bus Stand Bahawalpur to Yazman via Railway Station, Chowk Fawara, Farid Gate, Sadar Pulli, Chak 28 BC, Chak 24 BC, Chak 42 DNB, Chak 51 DB South, Sokar Minor, Chak 33 DB, etc.	40	
2.	B-3	General Bus Stand Bahawalpur to Ahmad Pur Sharqiya via Batti Raban, Gulistan Mill, Khankah Sharif, Ashraf Sugar Mill, Musafir Khana, Rehman abad, NurPur Noranga, Khan Pur, Zahir pier.	59	
3.	B-4	General Bus Stand to Khanq Sharif Via Old Sabzimandi, Eidgah Chowk, Circuit House, Dubai Chowk, Purrani Chungi, Sadiq Public School, new Satellite Mandi, Ramdan Phatak, Bismillah Cotton Factory and Asia Ghee Mills.	18.4	

SIALKOT PROPOSED ROUTES (Proposed)

Sr. No.	Route No.	Route Alignment	Total Route Length (Km)	Buses required
1.	B-1	General Bus Stand Sialkot to General Bus Stand Via China/Sublime Chowk, Saga Chowk, Khawaja Anwar Chowk,Pul Ek,Pasroor By Pass, Gulshan Iqbal Park, Pasroor Road, Lady Anderson School, Rangpura, Jinnah Stadium,KMS Medical College, Khawaja Safdar Road, Jail Road.	18.5	
2.	B-2	General Bus Stand Sialkot to Daska Via China/ Sublime Chowk,Saga Chowk,Pul Ek,Gulshan E azeem Housing Scheme,Ghunike,Motra,Jasarwala etc.	29	
3.	B-3	General Bus Stand Sialkot to Daska Via China/ Sublime Chowk,Ugoki,Canal City Housing Society, Sambrial ,Pura Jodh Singh,Kot Buland,Bhopalwala,Adamki Adda,Mandranwala etc,	35	
4	B-4	General Bus Stand Sialkot to Pasroor Via Khawaja Safdar Road, Allam iqbal Road, Pul Ek Circular Road, Gulshan e iqbal Park, Lakhanpur, wario,Badiana,Langah,Mudressa,	31	

Annex - C

Bid Bond

BID BOND

Transport Department
Government of the Punjab
11-A Egerton Road
Lahore
Pakistan

Security Executed on _____
(Date)

Name of Surety (Bank) with Address: _____
(Scheduled Bank in Pakistan)

Name of Principal (Bidder) with Address _____

Penal Sum of Security Rupees _____ (Rs. _____)

Bid Reference No. _____

Dear Sir, in consideration of _____

Hereinafter called "THE BIDDER" having submitted the accompanying Bid and in consideration of value received from (the Bidder above) we hereby agree to undertake as followings:

1. To make unconditional payment of Rupees _____ upon your written demand without further recourse, question or reference to the BIDDER or any other person in the event of the withdrawal of the aforesaid Bid by the BIDDER before the end of the period specified in the Bid after the opening of the same for the validity thereof or if no such period be specified, within 60 days after the said opening or if the Bidder having been notified of the acceptance of his Bid by the purchase during the period of Bid validity:

a) Fails or refuses to execute the Contract in accordance with the instructions to Bidders.

OR

b) Fails or refuses to furnish Performance Bond in accordance with the Instructions to Bidders.

2. To accept written intimations(s) from you as conclusive and sufficient evidence of the existence of a default of non-compliance as aforesaid on the part of the BIDDER and to make payment accordingly within 3 (three) days of receipt of the written intimation.

3. No grant of time or other indulgence to, or composition or arrangement with the BIDDER in respect of the aforesaid Bid with or without notice to us shall affect this Guarantee and our liabilities and commitments here under.

4. This guarantee shall be binding on us and our successors in interest and shall be irrevocable.

Yours faithfully

(BANKERS)

Annex - D

Performance Guarantee

PERFORMANCE GUARANTEE

Transport Department
Government of the Punjab
11-A, Egerton Road,
Lahore
Pakistan

Dear Sir,

Ref; our Bank Guarantee No. _____ in the sum of
_____ Account _____
_____ in consideration of you having entered into agreement No.
_____ Dated _____
_____ with _____ called Operator and in
consideration for value received.

From the Manufacturer / Supplier we hereby agree and undertake as followings:

- i. To make unconditional payment to you as called upon of (10%) TEN percent of the value of the one year contract price mentioned in the said contract, on your written demand(s) without further recourse, question or reference to operator or any other person in the event of default, non-performance or non-fulfillment by the Operator) of his obligations, liabilities, responsibilities under the said contract of which you shall be the sole judge.
- ii. To accept written intimation from you as conclusive and sufficient evidence of the existence of the default or breach as aforesaid on the part of (Operator) and to make payment accordingly within 3 (three) days of receipt thereof.
- iii. To keep this guarantee in full force from the date hereof for eight (08) days and until thirty (30) days from the date of Service delivery on [Route No and City Name] for eight (08) years.

iv. That no grant of time or other indulgence to, amendment in the terms of the Contract by Agreement between the parties, or imposition or Agreement with (Operator) in respect of the performance of his obligations under the said Agreement, with or without notice to us, shall in any manner discharge or otherwise affect this Guarantee and our liabilities and commitments there under.

v. This Guarantee shall be binding on us and our successor's interest and shall be Irrevocable.

vi. This guarantee shall not be affected by any change in the constitution of the Guarantor Bank or the constitution of the (Operator).

(BANKER)

Annex - E
Integrity Pact

(INTEGRITY PACT)

**DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC.
PAYABLE BY THE SUPPLIERS OF GOODS, SERVICES & WORKS IN
CONTRACTS WORTH RS. 10.00 MILLION OR MORE**

Contract No. _____ Dated _____
Contract Value: *[To be filled in at the time of signing of Contract]*
Contract Title: _____

..... [Name of Operator] 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 Punjab (GoPb) or any administrative subdivision or agency thereof or any other entity owned or controlled by GoPb through any corrupt business practice.

Without limiting the generality of the foregoing, [Name of Operator] represents and warrants that it has fully declared the brokerage, commission, 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 GoPb, except that which has been expressly declared pursuant hereto.

[Name of Operator] 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 GoPb and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

[Name of Operator] 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 GoPb under any law, contract or other instrument, be voidable at the option of GoPb.

Notwithstanding any rights and remedies exercised by GoPb in this regard, [name of Supplier] agrees to indemnify GoPb for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to GoPb in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by [Name of Operator] 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 GoPb.

Name of Buyer:

Name of Seller/Supplier:

Signature:

Signature:

[Seal]

[Seal]

Annex - F

Service Performance Levels

SERVICE PERFORMANCE LEVELS (SPL)

The Performance Service Levels describes target performance levels which the bidder shall aim to deliver for the Services outlined in this RFP. It also lists the procedures for managing unavailability of Services, and associated penalties which will be applied if bidder fails to deliver any service performance targets in accordance with this Agreement.

Sr. No.	Description	Standard (Per Month)	Formula to Calculate Trips	Agreement by Operator Y – Yes N- No
1	Trip Efficiency/ Regularity of Operation	More than 90%	[No of Trips operated / No of trips assigned/schedule] x 100	
2	Reliability of Buses/ No. of Breakdowns	Maximum 2 Complaints		
3	Punctuality (adherence to time schedule)	More than 90%	[No of trips on time from first station /Total no of trips operated] x 100	
4	Cleanness of Buses / Number of Buses found dirty	Maximum 10 Complaints		
5	Safety of Operation/ Rate of Accidents	Nil		
6	User Satisfaction / Number of Passenger Complaints	Maximum 10 Complaints		
7	Repair /Removal of defects /faults /broken /damaged parts	3		

Successful bidder must notify the vehicle defect to the Authority, via email, fax, and/or telephone, as soon as it becomes aware of the fault, and must also keep the monitoring cell informed of progress towards resolution in a timely manner. **In case of breach of Performance Service Levels aforementioned parameters, following penalties will be applied.**

Criteria	Formula	Kilometers fined based on Monthly evaluation	Agreement by Operator Y – Yes N- No
Trip Efficiency/ Regularity of Operation	80-90 Below 80	45 x Number of Trips Missed Not Permitted, May result in Heavy Penalties/Termination of Contract as per Purchaser's Decision	
Reliability of Buses/ Breakdowns	3-5 6-8 Above 8	300 x Number of Breakdowns 350 x Number of Breakdowns Not Permitted, May result in Heavy Penalties/Termination of Contract as per Purchaser's Decision	
Punctuality (adherence to time schedule)	80-90 Below 80	50 x Number of Trips Observed Late Not Permitted, May result in Heavy Penalties/Termination of Contract as per Purchaser's Decision	
Cleanness of Buses	10-30 Above 30	30 x Number of vehicles observed dirty 50 x Number of vehicles observed dirty	
Safety of Operation/ Rate of Accidents	1-5 6-10 Above 10	250 x Number of Accidents 300 x Number of Accidents Not Permitted, May result in Heavy Penalties/Termination of Contract as per Purchaser's Decision	
User Satisfaction	20-50 Above 50	2 x Number of Complaints 5 x Number of Complaints	

Exclusions:

The operator will be exempted from delays or slippages on SPL parameters arising out of delays in execution due to delay in approval or review from GoPb's side. Any such delays will be notified in writing.

Sr. No.	Performance Standards	Field Measurement Criteria	Agreement by Operator Y – Yes N- No
1	Maintenance of the dispatch frequency from the depot	Trackers	
2	Required number of buses for operations	Trackers	
3	Operational Hours (Working days, Weekdays, Holidays)	Trackers	
4	Stoppage on designated stops only	Trackers	
5	Following the route alignment	Trackers	

_____ (Seal)

(Signature of Authorized Signatory)

(Name, Title, Address, Date)

Annex - G

Draft Agreement for Operators

FRAMEWORK AGREEMENT (Draft)

THIS FRAMEWORK AGREEMENT is made at Lahore on this _____ day of _____ 20 ____ by and between:

The Governor of the Punjab through Secretary to the Government of Punjab, Transport Department having its head office at 11-A, Egerton Road, Transport House Lahore, Pakistan, (hereafter called DoT which expression shall whenever the context so admits, mean and include its, successors, executors, administrators and assigns) of the First Part.

AND

Messers _____ Through _____ having its head office at _____ (hereinafter called the Operator which expression shall whenever the context so admits, mean and include its, successors, executors, administrators and assign) of the Other Part.

(DoT and the Operator are hereinafter referred to collectively as the “Parties” and individually as a “Party”)

RECITALS:

Whereas the DoT has a mandate to develop and implement policies for the regulation, promotion and facilitation of safe, integrated and efficient transport facilities and services within the Province of Punjab. The DoT is further authorized to enter into agreements and contracts with local and international entities accordingly.

And Whereas the DoT is the regulator and facilitator for urban transport in Punjab

And Whereas the DoT is mandated to provide urban transport to the public of Punjab

And whereas, in line with and pursuant to the aforementioned desire, DoT had floated Requests for Proposals dated (“RFP”) inviting interested parties possessing the requisite qualifications to bid for, inter-alia, operational subsidy rates for plying buses on various Routes (as defined in the RFP) notified in accordance with the [Punjab] Motor Vehicles Ordinance, 1965 (XIX of 1965).

And whereas, pursuant to the RFP and the Operator's response thereto, the Operator has been selected for the provision of Capital Subsidy and Operational Subsidy (as respectively defined in the General Conditions of Agreement) for the establishment and operations of the Bus Service on the Route(s) specified in Letter of Award dated_____in accordance with the terms and conditions recorded in this Agreement.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. This Framework Agreement comprises:

- a) this Agreement;
- b) the Letter of Award dated;
- c) the General Conditions of Agreement;
- d) the Schedules:

Schedule-I:	Bus Specifications
Schedule-II:	Bus Service Infrastructure
Schedule-III:	Bus Service Staff
Schedule-IV:	Bus Induction Plan;
Schedule-V:	Capital Subsidy;
Schedule-VI:	Operational Subsidy;
Schedule-VII:	Instructions to the Motor Vehicles Registration Authority, Lahore;
Schedule-VIII:	Service Performance Levels;
Schedule-IX:	Service Performance Evaluation Criteria;
Schedule-X:	Payments upon Termination of Agreement;
Schedule-XII:	Schedule Of Condonation Fee

- e) the Performance Bank Guarantee;
- f) the Capital Subsidy Bank Guarantee.

2. The Parties understand and agree that the principal objective of the Project is the establishment and sustenance of an efficient, and high-quality bus transport service in the Punjab which is fully equipped with the modern ancillary infrastructure and facilities.

3. The Operator hereby declares its solemn commitment to the afore-stated objectives and undertakes to honestly, diligently and efficiently perform its obligations under this Agreement to ensure the timely establishment and the effective operations of the Bus Service.

4. In view of the laudable objectives stated above, the Parties affirm their commitment to act in accordance with the terms of this Agreement in good faith towards each other in the

larger public and national interest to ensure the success of the Project.

5. In consideration of the Operator agreeing, undertaking and affirming its commitment to the Project (comprising the procurement, insurance, operations, management, running and maintenance of the Bus Service on the Routes) strictly in accordance with the terms and conditions of this Agreement including plying the Buses on the Route(s) for the entire Term (as defined in the General Conditions of Agreement), the DoT hereby agrees to provide the Capital Subsidy and the Operational Subsidy to the Operator in accordance with the terms of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have set their respective hands on this Agreement the day and year first above stated.

Transport Department;

Operator;

Through _____

Through _____

Name: _____

Name: _____

NIC #: _____

NIC#: _____

Witnesses:

1. _____

2. _____

Name: _____

Name: _____

NIC #: _____

NIC #: _____

3. _____

4. _____

Name: _____

Name: _____

NIC #: _____

NIC #: _____

GENERAL CONDITIONS OF AGREEMENT

ARTICLE 1: DEFINITIONS AND INTERPRETATION

1.1 Definitions

“Abandonment” means:

- (i) failure or refusal by the Operator to achieve Procurement Phase Completion for a Procurement Phase in accordance with the Bus Induction Plan beyond a period of 60 days specified therefore in the Bus Induction Plan;
 - (ii) Failure or refusal by the Operator to achieve Commercial Operations Date in accordance with the Bus Induction Plan; or
 - (iii) failure by the Operator to achieve compliance rating of fifty percent or more with the Service Performance Evaluation Criteria for three (3) consecutive months at any time after the Commercial Operations Date.
- a) “Actual Operational Subsidy Rate” has the meaning ascribed to it in sub-Article 11.3.
 - b) “Additional Buses” has the meaning ascribed to it in sub-Article 7.4.2(a).
 - c) “Affiliate” means in relation to a Party (i) a company or entity which is either a parent company or entity or subsidiary company or entity (ii) a company or entity which is a subsidiary of a parent company or entity of which such signatory is a subsidiary.
 - d) “Agreement” means this Agreement executed by and between the Parties, as modified, amended or replaced from time to time.
 - e) “Bi Annual Re-assessed Operational Subsidy Rate” has the meaning ascribed to it in sub-Article 11.3.2.
 - f) “Bi-Annual Survey” has the meaning ascribed to it in sub-Article 11.3.2.
 - g) “Approvals” means all approvals, consents, licenses, permits and certifications which may be required under the Laws of Pakistan for the Operator to establish and undertake its business, including the Route Permits and the Fitness Certificates.
 - h) “Bus” means with respect to a Route, a bus to be procured and plied by the Operator on the Route pursuant to and in accordance with the terms of this Agreement. “Buses” means more than one Bus.

- i) “Bus Induction Plan” means the delivery lead-time plan for the Procurement Completion by the Operator which shall be reckoned from the date of execution of this Agreement and up to the Commercial Operations Date, as set out in Schedule-IV hereto [Bus Induction Plan].
- j) “Bus Service” means with respect to a Route, the Bus transport service to be established by the Operator pursuant to this Agreement, comprising the Buses, the Bus Service Staff and the Bus Service Infrastructure.
- k) “Bus Service Staff” means the Operator’s staff and personnel engaged in performing functions for or in connection with the Bus Service.
- l) “Bus Service Infrastructure” means the infrastructure to be established by the Operator for the Bus Service, as more particularly described in Schedule-III hereto.
- m) “Bus Specifications” means the technical and other specifications for the Buses, as set out in Schedule I [Bus Specifications] hereto.
- n) “Bus Supplier” means the person, including a manufacturer of buses, supplying the Buses to the Operator pursuant to the Procurement Documents.
- o) “Business Day” means a day on which banks are open generally for business in Lahore.
- p) “Capital Subsidy” means the payment to be made by DoT for the facilitation of the procurement of Buses by the Operator, at the rate specified in the Letter of Award, in accordance with Article 3 hereof.
- q) “Capital Subsidy Bank Guarantee” means a performance bank guarantee to be provided by the Operator for an amount equivalent to 100% of the amount of the Capital Subsidy, from a first class scheduled bank acceptable to DoT, in the form specified by DoT.
- r) “Commercial Operations Date” has the meaning ascribed to it in Article 10.1(b).
- s) “Compensation Amount” means the compensation amounts set out in Schedule-X [Payments upon Termination] hereto.
- t) “Diesel” means the fuel for the buses.
- u) “Effective Date” has the meaning ascribed to it in sub-Article 2.1.
- v) “Expiry Date” means the fifth anniversary of the Commercial Operations Date.
- w) “Encumbrance” means a lien (including statutory lien), pledge, mortgage, charge, hypothecation, security interest or other security arrangement or interest including assignment by way of security and title retention arrangements. “Encumbered” shall mean accordingly.

- aa) “Fare” means with respect to a Route, the fare for bus travel on the relevant Route, as determined and notified in accordance with the Laws of Pakistan.
- bb) “Financial Closing” means the execution and delivery of the Financing Documents (that together with equity commitments) evidence sufficient financing for the capital, and operations of the Bus Service (following the resolution of any objections raised by DoT to a term sheet or debt repayment schedule in accordance with this Agreement that sets out a principal repayment schedule and the other principal terms of the transaction between the Operator and the Lenders) and evidence of commitments for such equity as is required by the Operator to satisfy the requirements of the Lenders and the Letter of Award the satisfaction of all conditions precedent for the initial availability of funds under the Financing Documents.
- dd) “Financial Closing Date” means the date specified as such in the Letter of Award by which Financial Closing must take place, as may be extended by the DoT.
- ee) “Financing Documents” means the finance agreements, notes, indentures, security documents, guarantees and other documents relating to the Project.
- ff) “Fitness Certificates” means the fitness certificates for Buses required under the Motor Vehicles Ordinance.
- gg) “Fleet Management System” means the information technology system established by DoT for the purposes of real-time online monitoring of the Buses plying on the Routes through the use of the Tracking Devices.
- hh) “GOP” means the Federal Government of Pakistan.
- ii) “GoPb” means the Government of Province of the Punjab.
- jj) “Laws of Pakistan” means the Federal, Provincial and local laws of Pakistan, and all orders, rules, regulations, statutory regulatory orders, executive orders, decrees, policies, judicial decisions, notifications, or other similar directives made pursuant thereto, issued by any competent authority in or recognized in Pakistan.
- kk) “Lenders” means the lender party to the Financing Documents together with their respective successors and assigns. “Lenders” means accordingly.
- ll) “Lender’s Agent” means an agent specified as such by the Lender(s) to DoT.
- mm) “Letter of Award” or “LOA” means the Letter of Award issued by DoT in favor of the Operator for the Project.
- oo) “DoT” means the Department of Transport, Government of the Punjab.
- pp) “DoT Auditor” means a reputable firm of Chartered Accountants practicing in Lahore to be nominated by DoT for the purposes of the audit of the Operator’s accounts in accordance

- with Article 17.
- qq) “DoT Depot” means bus depots designated by DoT.
 - rr) “DoT Depot Utilization Fee” means the fees and charges payable by the Operator for utilization of space in DoT Depot at the rates determined by DoT from time to time.
 - ss) “DoT Enforcement Apparatus” means the Fleet Management System, the Tracking Devices and such other machinery, equipment and personnel deployed or to be deployed by DoT for the purposes of monitoring and enforcement of the Operator’s obligations under this Agreement and the law.
 - tt) “DoT Event of Default” has the meaning ascribed to it in Article 15 [Duration and Termination].
 - vv) “Motor Vehicles Ordinance” means the Punjab Motors Vehicles Ordinance, 1965 (XIX of 1965), as amended/replaced from time to time.
 - ww) “Motor Vehicle Rules” means the Punjab Motor Vehicles Rules, 1969 prescribed under the Motor Vehicles Ordinance, as amended/replaced from time to time.
 - xx) “New Quarter” has the meaning ascribed to it in sub-Article 11.3.
 - yy) “Operator” means the Person in whose favor the Letter of Award has been issued.
 - zz) “Operator’s Equity” means the equity to be provided/contributed by the Operator for the establishment of the Bus Service of an amount not less than the amount specified in the Letter of Award.
-
- aaa) “Operator’s Event of Default” has the meaning ascribed to it in Article 15 [Termination].
 - bbb) “Operational Subsidy” means the payment to be made by DoT to the Operator in accordance with and subject to the terms of this Agreement as operational subsidy for each Route in accordance with the per kilometer traveled rates as set out in the Letter of Award and as may be revised from time to time in accordance with the Operational Subsidy Revision Formula.
 - ccc) “Operational Subsidy Claim” has the meaning ascribed to it in sub-Article 11.4.
 - ddd) “Operational Subsidy Revision Formula” has the meaning ascribed to it in sub-Article 11.3.
 - eee) “Optimal Operational Subsidy Rate” has the meaning ascribed to it in sub-Article 11.3.
 - fff) “Owner(s)” means the persons owning and/or controlling the Operator, as identified in the Letter of Award.
 - ggg) “Party” means either DoT or the Operator.

- hhh) “Parties” means both DoT and the Operator.
- iii) “Performance Bank Guarantee” means a performance bank guarantee to be provided by the Operator for an amount specified in the Letter of Award of the amount specified in the Letter of Award, from a first class scheduled bank acceptable to DoT, in the form specified by DoT in the RFP.
- jjj) “Person” means any person, firm, company, corporation, society, government, state or agency of a state (including any public sector entity), or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.
- kkk) “Procurement Completion” means the completion of all Procurement Phases.
- lll) “Procurement Completion Certificate” a certificate to be issued by DoT confirming Procurement Completion.
- mmm) “Procurement Documents” includes the contracts/purchase orders entered into between the Operator and the Bus Supplier, and, where applicable, the bills of lading, pertaining to the supply of Buses.
- nnn) “Procurement Phase” means a phase as identified in the Bus Induction Plan of the procurement process corresponding to a portion of the total number of Buses to be procured pursuant to this Agreement, starting [ordinarily] from the date of execution of the relevant Procurement Documents and ending upon the receipt of the Buses in the relevant phase at Lahore, Pakistan.
- ooo) “Procurement Phase Completion” means with respect to the Buses in a Procurement Phases, the delivery of all such Buses compliant with the Bus Specifications, at Lahore.
- ppp) “Procurement Phase Completion Certificate” means with respect to a Procurement Phase, a certificate to be issued by DoT confirming the relevant Procurement Phase Completion.
- qqq) “Project” means the financing, procurement, insurance, operation, management, maintenance and monitoring of the Bus Service in accordance with this Agreement.
- rrr) “RFP” means the Request for Proposals issued by DoT for the Project.
- sss) “Route(s)” means the bus route(s) specified in the Letter of Award on which the Operator is to ply the Buses.
- ttt) “Route Permit(s)” means the Route Permits required under the provisions of the Motor Vehicles Ordinance for plying the Buses on the Route(s).
- uuu) “Service Performance Levels” means the service performance levels for the Bus Service as specified in Schedule-VIII hereto [Service Performance Levels].
- vvv) “Service Performance Evaluation Criteria” means the Service Performance Evaluation Criteria set out in Schedule-IX hereto.

- www) “Spare Buses” means the Buses required to be procured and kept by the Operator as spares to replace any defective, damaged or dysfunctional Buses on the Routes, to maintain the number of working Buses plying on the Route.
- xxx) “Succession Notice” has the meaning ascribed to it in sub-Article 9.2(b).
- yyy) “Tax” or “Taxes” means any tax, charge, cess, impost, tariff, duty, basis for assessing taxes (including the rates of or periods for depreciation of assets for tax assessment purposes), fiscal concession or allowance imposed by or payable to any authority, including any value added tax, sales tax, water or environmental or energy tax, road tax, import or customs duty, withholding tax, excise tax, tax on Foreign Currency or foreign exchange transactions or property tax. The term “Tax” shall not include any fee or charge payable to an authority as consideration for goods or services provided by such authority in relation to a commercial activity carried out by such authority.
- zzz) “Term” has the meaning ascribed to it in sub-Article 2.1.
- aaaa) “Test Runs” means the test runs of the Buses on the Route(s) to be carried out prior to the Commercial Operations Date.
- bbbb) “Tracking Devices” has the meaning ascribed to it in sub-Article 7.5.
- cccc) “Tracking Establishment Certificate” has the meaning ascribed to it in sub-Article 7.5(g).
- dddd) “Tracking Service Provider” has the meaning ascribed to it in sub-Article 7.5.
- eeee) “Transferable Assets” has the meaning ascribed to it in Article 16.
- ffff) “Transfer Date” has the meaning ascribed to it in Article 16.
- gggg) “Transfer of the Buses” has the meaning ascribed to it in sub-Article 9.2(d)(ii).
- hhhh) “Transferee” has the meaning ascribed to it in sub-Article 9.2(b).

Correspondence

1.2 Interpretation

In this Agreement, unless the contrary intention appears:

- (a) A reference to a Party is a reference to a Party to this Agreement;
- (b) except where the context otherwise requires, references to a particular Article, Sub-Article, or Annexure shall be a reference to that Article, Sub-Article, or Annexure in or to this Agreement;
- (c) references to “this Agreement” or any other agreement or document shall be construed as a reference to such agreement or document as amended, modified or supplemented and in effect from time to time, and shall include a reference to any document/instrument

- which amends, modifies or supplements it, or is entered into, made or given pursuant to or in accordance with its terms;
- (d) A reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, reenactment's or replacements of any of them;
 - (e) references to the masculine shall include the feminine and references in the singular shall include references in the plural and vice versa, and words denoting natural persons shall include companies, corporations and any other legal entity and vice versa;
 - (f) a reference to a person includes a reference to the person's successors, nominees and assigns;
 - (g) if a period of time is specified and it is from a given day or the day of an act or event, it is to be calculated exclusive of that day;
 - (h) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
 - (i) a reference to a month is a reference to a calendar month;
 - (j) if any obligation under this Agreement is required to be performed on a day other than a business day, that obligation is to be performed on the next business day;
 - (k) the words "include" or "including" shall be deemed to be followed with "without limitation" or "but not limited to" whether or not they are followed by such phrases or words of like import;
 - (l) reference to 'written' or 'writing' means any hand-written, typewritten, or printed communication, including telex, cable and facsimile transmission;
 - (m) in carrying out its obligations and duties under this Agreement, the Parties shall have an implied obligation of good faith;
 - (n) the annexes and schedules shall form an integral part of this Agreement; (o) the recitals form an integral part of this Agreement; and
 - (p) the singular includes the plural and vice versa.

ARTICLE 2: TERM

2.1 Effectiveness of Agreement; Term

Except for the provisions of this sub-Article 2.1, Article 9 [Assignment and Security] and Article 22 [Miscellaneous Provisions], which shall become effective immediately upon execution and delivery of this Agreement, this Agreement shall commence and be effective on the date of Financial Closing (the "Effective Date") and shall, unless terminated earlier in accordance with the

terms of the Letter of Award or this Agreement, continue in full force and effect until the Expiry Date (the “Term”).

2.2 Termination of the Letter of Award

If Financial Closing does not occur in accordance with the requirements of the Letter of Award, upon the termination of the Letter of Award this Agreement shall terminate in its entirety without notice and without further action by DoT. Upon such termination, the Parties shall have no further obligations or liabilities under this Agreement. The Parties have agreed that the amount of the Performance Bank Guarantee is reasonable and constitutes liquidated damages to DoT of the Operator’s failure to timely achieve Financial Closing hereunder and under the Letter of Award. The encashment of the Performance Bank Guarantee shall be without prejudice to any other rights or remedies that DoT may have under this Agreement or the Laws of Pakistan.

ARTICLE 3: CAPITAL SUBSIDY

3.1 Conditions Precedent to and the Manner of Provision of Capital Subsidy

3.1.1 Subject to the terms of this Agreement, the Capital Subsidy shall be provided in the manner specified in Schedule-V [Capital Subsidy] hereto, subject to the fulfillment of the conditions precedent specified in the said Schedule.

3.1.2 DoT may, in its absolute discretion, waive or extend the time period for, the fulfillment of any one or more of such conditions precedent. For avoidance of doubts it is clarified that the waiver of or extension in time period for the fulfillment of any condition precedent shall not absolve the Operator of its continuing obligation to fulfill the remaining conditions precedent in accordance with this Agreement.

3.2 Capital Subsidy Bank Guarantee

3.2.1 The Capital Subsidy Bank Guarantee, where required to be provided in terms of this Agreement, shall remain valid and effective in accordance with the terms and conditions set out in Schedule-V [Capital Subsidy].

3.2.2 Parties agree that the Capital Subsidy Bank Guarantee represents a genuine pre- estimate of part of the loss and damage that DoT will suffer if the Operator fails to perform its obligations

under this Agreement, including, but not limited to, the procurement of all the Buses, the installation of the Tracking Devices, the registration of the Buses and the achievement of the Commercial Operation Date, in accordance with this Agreement.

3.3 Utilization of Capital Subsidy

3.3.1 The Operator undertakes that the Capital Subsidy shall be used solely for the purposes of the procurement of the Buses in accordance with and pursuant to this Agreement.

3.3.2 For the avoidance of any doubts it is clarified that the Capital Subsidy under this Agreement shall be provided for the purposes of the initial procurement of the Buses only (i.e., the procurement of the number of Buses specified in the Letter of Award) and DoT makes no commitment whatsoever regarding providing any further financial assistance for the procurement of any Additional Buses or any replacement buses which may be procured by the Operator to ensure that the number of Buses (including Spare Buses) as specified in the Letter of Award is maintained throughout during the Term.

3.3.3 It is agreed that any breach of the undertaking in sub-Article 3.3.1 above, shall entitle DoT to, among other remedies, seek encashment of up to the full amount of the Capital Subsidy Bank Guarantee.

3.4 Quantum of Capital Subsidy

The quantum of the Capital Subsidy shall be as specified in the Letter of Award.

ARTICLE 4: PROCUREMENT OF THE BUSES

4.1 Bus Induction Plan

4.1.1 The Operator shall undertake and complete the procurement of the Buses in accordance with the Bus Induction Plan. If the procurement process is likely to be delayed beyond the timelines in the Bus Induction Plan, the Operator shall immediately notify DoT in writing of the reasons and likely duration of the delay. If the delay is attributable to lack of necessary Approvals (provided that Operator has diligently applied for and pursued all such applications), import licenses or legalization of delivery documents in Pakistan, the delivery time shall be

extended by the additional number of days required to issue the documents or approvals in Pakistan.

4.1.2 A progress report shall be submitted fortnightly by the Operator showing the scheduled dates for delivery, any anticipated delivery delays, and other relevant information.

4.2 Procurement Documents

4.2.1 The Operator shall provide copies of all Procurement Documents from time to time to DoT, duly certified by a duly authorized representative of the Operator to be true copies of the relevant originals.

4.3 Procurement Completion

4.3.1 The procurement of Buses may be undertaken in one or more Procurement Phases in accordance with the Bus Induction Plan. Upon receipt of all the Buses in a Procurement Phase, the Operator shall notify the DoT in writing. DoT will undertake such visual and technical inspection of the received Buses as it may deem fit. If any of the Buses are found to be non-compliant with the Bus Specifications, DoT will inform the Operator in writing. The Operator shall undertake, at its own cost and expense, such remedial measures including replacement of the relevant non-compliant Buses as may be required by DoT within the time period specified by DoT in writing. After undertaking remedial measures, Operator shall notify DoT in writing whereupon DoT will undertake such visual and technical inspection of the relevant Buses as it may deem fit.

4.3.2 A Procurement Phase shall not be regarded as having been completed unless all Buses therein meet the Bus Specifications to DoT's satisfaction.

4.3.3 Upon completion of all Procurement Phases to DoT's satisfaction, DOT will issue the Procurement Completion Certificate as at Schedule I.

4.3.4 Any inspections of the Buses by DoT pursuant to this Article 4 shall be without prejudice to and in addition to any inspections or assessments of any motor vehicles, including buses, which

- (a) DoT may undertake in accordance with the provisions of the Motor Vehicles Ordinance; and,
- (b) any other competent authority may undertake in the discharge of its functions under any law.

4.4 Consequences of delay in procurement

4.4.1 Subject to the terms of this Agreement, particularly sub-Article 4.1.1 herein above and Article 16 [Force Majeure], where any Procurement Phase is delayed for a period of thirty (30) Days beyond the date specified in the Bus Induction Plan for the completion thereof, the Operator shall be liable to pay liquidated damages to DoT at the per day rate specified in the Letter of Award. Parties agree that this amount represents a genuine pre-estimate of the part of the loss and damage that DoT will suffer due to such delay. Such liquidated damages shall be without prejudice to any other rights and remedies that DoT may have under this Agreement or the Laws of Pakistan. DoT shall be unconditionally entitled to encash the Capital Subsidy Bank Guarantee and/or the Performance Bank Guarantee, to recover any such liquidated damages.

4.4.2 Provided that where a delay exceeds sixty (60) days beyond the time frame in the Bus Induction Plan, DoT shall, without prejudice to any other rights and remedies that it may have under this Agreement or the Laws of Pakistan, have the right to regard such delay as Abandonment.

ARTICLE 5: BUS SPECIFICATIONS

5.1 The Operator undertakes that all Buses procured and operated by it pursuant to this Agreement shall be fully compliant with the Bus Specifications.

ARTICLE 6: REGISTRATION OF BUSES

6.1 Registration of Buses

6.1.1 The Operator shall ensure the registration of the Buses with all concerned authorities, including, but not limited to, the competent motor vehicle registration authority of the Excise and Taxation Department of the GoPb at Lahore, in accordance with the Laws of Pakistan.

6.2 Irrevocable Instructions to the Motor Vehicles Registration Authority

6.2.1 The Operator shall at the time of registration of the Buses issue irrevocable written instructions to the competent authority of the Excise and Taxation Department, Lahore to the

effect that the ownership of the Buses shall not be transferred without the prior written consent or no-objection certificate of the DoT. Such instructions shall be issued in the form set out in Schedule-VII [Instructions to Motor Vehicle Registration Authority, Lahore] hereto.

6.2.2 If the Financing Documents envision an arrangement (for instance, lease finance) whereby the legal ownership of the Buses vests in the Lender(s), then the Operator shall ensure that the relevant Lender(s) issue generally similar irrevocable written instructions to the competent authority of the Excise and Taxation Department of the GoPb. Such instructions shall be issued in the form set out in Schedule-VII [Instructions to Motor Vehicle Registration Authority, Lahore] hereto.

ARTICLE 7: ESTABLISHMENT OF THE BUS SERVICE

7.1 General Obligations

In connection with its obligation to establish the Bus Service, the Operator shall undertake the following:

- a) it shall procure the Buses in accordance with Article 4;
- b) it shall, at its own cost and expense, establish and maintain the Bus Service Infrastructure in accordance with Schedule-III hereto [Bus Service Infrastructure];
- c) it shall establish an organizational structure for safe and efficient transport operations which shall amongst others include a Manager (Administration), Manager (Operations), Driver/support staff training instructor and Supervisory Staff i.e. checkers/ Supervisors;
- d) it shall ensure that the number of Buses plied by it on the Route is equivalent to the number of Buses required to be operated on such Route pursuant to this Agreement and the applicable Laws of Pakistan;
- e) it shall display the Fare table inside each of the Buses, as may be notified in accordance with the Laws of Pakistan, from time to time;
- f) it shall display the time schedule for integrated operation of the Buses at the bus stops and other related places of the Route(s) for the information of the commuters;
- g) it shall, if required by DOT, contribute towards the development of bus stops/shelter facilities and ensure the stoppage of the Buses at the designated stops only;
- h) it shall engage a transport expert and qualified operation manager, if so required by

DOT;

- i) it shall report the operation performance data to DOT, as and when required;
- j) it shall maintain (by itself or through a contractor) an adequate automobile workshop fully equipped with the required machinery, manned and supervised by qualified technical staff for a regular inspection and repair of the Buses operating on the Routes.

7.2 Bus Service Staff

- a) The Operator shall utilize only trained, competent and licensed drivers and conductors for the Bus Service. All drivers and conductors must be selected in compliance with the requirements set out in Schedule-III hereto [Bus Service Staff] and the provisions of Motor Vehicles Ordinance and the Motor Vehicle Rules.
- b) The Operator shall require such drivers to operate the Buses and assist the passengers with due care and diligence and use every reasonable precaution to prevent loss or damage to any vehicle because of fire, theft, collision or damage to property of third persons.
- c) The Operator shall ensure that the drivers and conductors deployed on the Buses perform their functions and duties in accordance with the Laws of Pakistan, particularly the Motor Vehicles Ordinance and the Motor Vehicle Rules.

7.3 Number of Buses

- a) The Operator affirms that it has independently assessed and satisfied itself that the number of Buses specified in the Letter of Award are sufficient to meet the Service Performance Levels and other obligations of the Operator under this Agreement.
- b) Parties understand and agree that the total number of Buses specified in the Letter of Award comprises the number of buses required to be operational on the Route and the number of Buses required as Spare Buses. For the avoidance of any doubts, it is clarified that all provisions of this Agreement apply mutatis mutandis to the Spare Buses.
- c) For the avoidance of any doubts it is clarified that this Agreement is neither intended to nor does it confer any exclusive right in favour of the Operator to ply any buses on the Route(s).

7.4 Variation in the Number of Buses

7.4.1 Save as otherwise necessitated by an event of Force Majeure (Article 16) and, the Operator shall not vary the number of Buses plied on the Route without the prior written consent of DoT.

7.4.2 If DoT determines, whether on its own or on application of the Operator, that in view of the increased passenger volumes on a Route, the numbers of Buses plied on the Route needs to be increased:

- i. DoT may require the Operator to induct such additional Buses as may be intimated by DoT to the Operator in writing (“Additional Buses”).
- ii. The Operator shall intimate its acceptance or refusal of such requirement in writing within seven (7) days of the receipt thereof. If no response has been received by then, upon expiry of the aforesaid period, it shall be deemed to have been refused.
- iii. If the Operator intimates its acceptance to induct all the Additional Buses, it shall provide a detailed bus induction plan along with all other information and data required to be submitted in terms of this Agreement for the initial procurement of Buses hereunder, within seven (7) days of its acceptance. Subject to terms of sub-Article 3.3.2, the terms and conditions of this Agreement shall apply mutatis mutandis to all Additional Buses.
- iv. If the Operator refuses, or is deemed to have refused, DoT shall be free to adopt such methods as it may deem fit to induct additional Buses for the Route on such terms and conditions as it may deem fit.
- v. Nothing contained in this sub-Article shall excuse or absolve the Operator of any of its obligations under this Agreement.

7.5 Installation of Tracking Devices in Buses; Fleet Management System

- a) As soon as reasonably practicable after the delivery of the Buses at Lahore and prior to the Commercial Operations Date, the Operator will procure the installation of vehicle tracking devices (“Tracking Devices”) in all of the Buses, from a Person engaged in the business of providing motor vehicle tracking services identified by DoT (“Tracking Service Provider”).
- b) The Operator will enter into direct contractual arrangements with the Tracking Service Provider identified by DoT, provided that the terms and conditions of contractual arrangements shall be subject to DoT’s prior approval.
- c) The cost of the Tracking facility shall be borne by the Operator including all other fees, charges, costs, dues etc.
- d) The Operator undertakes and agrees that no Buses shall be plied on the Route(s) at any time without the Tracking Devices being installed therein and in a fully functional and operative condition.

- e) Notwithstanding the terms and conditions of the contractual arrangements between the Tracking Service Provider and the Operator, for the purposes of this Agreement, the Operator shall at all times remain responsible and liable for the safety and performance of the Tracking Devices. The Operator shall not permit, allow or suffer any interference with the Tracking Devices, except as may be required and undertaken by the Tracking Service Provider, in accordance with the terms and conditions of the contractual arrangements with the Operator.
- f) In order to have real-time online access to the Fleet Management System for the purposes of, inter alia, (i) effective monitoring, simultaneously with DoT, of the movement of its Buses; and, (ii) generation of Operational Subsidy Claim, the Operator shall, simultaneously with the installation of Tracking Devices, make suitable arrangements in terms of installation of information technology facilities (including computers and broadband internet connections) along with skilled and trained personnel at its premises so as to be able to have access to the Fleet Management System. Any particular terms and protocols of use of the Fleet Management System shall be intimated by DoT (and, where required, the Tracking Service Provider) to the Operator at the time of its access to the same.
- g) Upon installation and successful testing of (i) the Tracking Devices on all Buses; and, (ii) the information technology facilities referred to in sub-Article 7.5(f), to DoT's satisfaction, DoT will issue a certificate ("Tracking Establishment Certificate").
- h) Notwithstanding any other terms of this Agreement, DoT shall not be liable to make any payments of Operational Subsidy for any distance not recorded or reported by the Tracking Devices due to any reason whatsoever.

7.6 Markings on Buses

The Operator shall ensure that the marking color-scheme and GoPb logos specified in Schedule-I [Bus Specifications] are duly painted and affixed on all Buses by the relevant Bus Supplier prior to delivery thereof.

7.7 DoT Depots

- a. Without prejudice to the Operator's continuing obligation to establish and maintain the Bus Service Infrastructure including depots for the Buses, DoT may, subject to availability of space in DoT Depots and upon payment of the DoT approved Depot Utilization Fee by the Operator, allow utilization by the Operator of designated spaces in DoT Depot(s) for the

- purposes.
- b. The entry into this Agreement by DoT does not constitute any assurance or commitment by it as to the availability or suitability or continued availability or suitability of any space in any DoT Depot or any preferential treatment to any bus operator including the Operator with respect to any such space.
 - c. Any space in an DoT Depot made available to an Operator pursuant to this Agreement shall be available only during the validity and currency of (i) this Agreement; and, (ii) DoT's right to use, or permit the use of, such space.

ARTICLE 8: APPROVALS

8.1 The Parties agree that the Operator shall at all times obtain and maintain, at its own sole cost and expense, all the Approvals in accordance with the Laws of Pakistan.

8.2 For the avoidance of any doubts it is clarified that this Agreement is neither intended to nor does it constitute any application for or the grant of a Route Permit or a Fitness Certificate with respect to any Bus for any of the Routes. The Operator shall be independently and continually obliged to apply for, obtain and maintain the relevant Route Permit(s) and Fitness Certificates in accordance with the Motor Vehicles Ordinance. The requirements, terms and conditions for the grant of a Route Permit and Fitness Certificates in accordance with the Laws of Pakistan, including the Motor Vehicles Ordinance and the Motor Vehicle Rules, shall be in addition to and without prejudice to the terms and conditions of this Agreement.

8.3 It is agreed that the Buses procured pursuant to this Agreement shall, subject to the Operator obtaining the Route Permits, only be plied on the Route(s) specified in this Agreement and the relevant Route Permit.

ARTICLE 9: ASSIGNMENT AND SECURITY

9.1 Assignment

9.1.1 It is hereby agreed by the Parties that DoT shall have the right to assign or transfer its rights and/or obligations hereunder. DoT will notify the Operator and the Lenders of such assignment or transfer within seven (7) days of such assignment or transfer. The Operator hereby gives its unconditional consent to any and all such assignments and/or transfers.

9.1.2 No assignment or transfer of this Agreement by the Operator shall be valid or effective without the prior written consent of DoT.

9.2 Creation of Security

- (a) Notwithstanding the provisions of sub-Article 9.1, for the purpose of financing the Project, in connection with the Financial Closing the Operator may assign to, or create a security interest in favour of, the Lenders in the Operator's rights and interests under or pursuant to (i) this Agreement, (ii) the Buses, (iii) the Bus Service Infrastructure (iv) the present and future movable, immovable, and intellectual property of the Operator, and (v) the present and future revenues or any of the rights or assets of the Operator.
- (b) The Lenders shall have no rights (except as expressly provided herein) or obligations to DoT under this Agreement until such time as the Lenders or their designees succeed to the Operator's interest under this Agreement, whether by exercise of their rights or remedies under the Financing Documents or otherwise, in which case the Lenders or their designees shall give notice of such succession ("Succession Notice") to DoT and shall assume liability for all of the Operator's obligations under this Agreement, including payment of any amounts due and owing to DoT for breaches or defaults by the Operator and other liabilities arising under this Agreement prior to the Lenders' or such designees' succession to the Operator's interest in and under this Agreement.
- (c) Upon notification by the Lenders or the Lenders' Agent to DoT, of the occurrence and continuance of an event of default under the Financing Documents, the Lenders shall have the right, among others, to (i) take possession of the Buses and prior to the Commercial Operations Date, complete the procurement of the Buses and operate and maintain the same and, after the Commercial Operations Date, operate and maintain the same, and (ii) cure any continuing Operator Event of Default as provided under sub-Article 15.4 of this Agreement.
- (d) In the event the Lenders desire to sell, transfer or assign the Buses Service as a going concern with all assets (present and future) together with possession thereof (hereinafter the "Transfer of the Buses") for the purposes of enforcing their rights under or pursuant to the Financing Documents, the following conditions shall apply:
 - i. Lenders shall obtain the consent of the DoT for the purposes of the Transfer of the Buses, which consent shall not be unreasonably withheld or delayed;

- ii. ii. The Transfer of the Buses shall only be in favour of a transferee (the “Transferee”) who will have been approved by DoT; and
- iii. iii. DoT may impose such conditions (which will not be unreasonable) for granting its consent and approval as stated in sub-Articles (i) and (ii) above, including the curing by the Transferee of any existing Operator Event of Default within the period remaining for such cure by the Operator and the Lenders and the payment of any amounts due and owing to DoT by the Operator hereunder on or before the date of Transfer of the Buses.

Provided that the Lenders and the Transferee have complied with the requirements of this sub-Article 4.2(d), DoT agrees to execute such agreements and documents necessary or reasonably expedient to ensure that the Transferee has the benefit of all right, title and interest of the Operator under this Agreement and assumes in writing for the benefit of DOT all of the obligations and liabilities of the Operator hereunder.

- (e) Upon notice to DoT of a default under the Financing Documents, DoT shall, at the request and expense of the Lenders or the Lender’s Agent, cooperate with hereto.
the Lenders in the exercise of such rights by the Lenders under this Agreement and the Financing Documents.
- (f) At the request of the Operator, delivered to DoT no less than thirty (30) days in advance, DoT shall execute and deliver, effective at the Financial Closing, acknowledgements to the Lenders with respect to any assignment granted to the Lenders pursuant to this Article-9 and the rights of such parties in and to this Agreement, as the Lenders may reasonably request in accordance with customary practices in transactions of this nature.

9.3 Delivery of Financing Documents; Evaluation of Terms and Conditions

- a) Within 30 days of the issuance of the Letter of Award, the Operator shall deliver to DOT a schedule or a copy of the term sheet reflecting the proposed material terms of the Financing Documents and setting forth a principal repayment schedule together with the maximum principal amounts and interest rate or rates and any schedules or formulae that will be included in the Financing Document for the computation of fees and charges payable to the Lenders upon the winding up for early termination of the loans under the Financing Documents, and shall also identify the equity commitments, individually and in total, of the Owners. DoT will evaluate the principal repayment schedule and other

principal financial and other terms and the equity commitments in the Project and to evaluate the impact on DoT's obligations upon any termination of this Agreement. If DoT has any objections to the terms specified in such term sheet or schedule, it shall inform the Operator thereof within seven (7) Business Days of its receipt thereof. Prior to execution of the Financing Documents, the finalized versions shall be provided to DoT for its final review. The Operator shall ensure that DoT's objections, whether to the term sheet or schedule or the draft Financing Documents, are addressed to DoT's satisfaction. The Operator shall provide DoT with a copy of the Financing Documents executed on the date of Financial Closing no later than seven (7) Days after Financial Closing.

- b) Following Financial Closing, the Operator shall not amend or modify the terms and conditions of the Financing Documents or enter into any new Financing Documents, without having followed the procedure under sub-Article 9.3(a) above, regarding prior approval of DoT for the revised/new terms sheet or schedule and drafts of new Financing Documents.
- c) the Operator shall deliver to DoT, in a form satisfactory to DoT, assurances, undertakings or agreements that no alteration or enhancement as a result of such refinancing or new or additional debt financing shall increase in any respect the financial obligations of DOT hereunder or effect in any way the right of DoT to acquire the Buses, free and clear of all Encumbrances, upon DoT's payment of the applicable Compensation Amount.

ARTICLE 10: OPERATIONS OF THE BUS SERVICE

10.1 Commercial Operations Date

- a) Subject to the terms of this Agreement and the applicable Laws of Pakistan, the Operator may start to progressively ply Buses procured in successive Procurement Phases on the Route.
- b) Provided however that the Operator shall, for the purposes of this Agreement, be deemed to have commenced commercial operations on a Route only on the day ("Commercial Operations Date") when ALL Buses have started complete commercial runs on the relevant Route in accordance with this Agreement and the applicable Laws of Pakistan.

10.2 Service Performance Levels

The Operator undertakes that the Bus Service shall be operated and managed by it in accordance with Service Performance Levels set out in Schedule VIII [Service Performance Levels].

a. Operations throughout the Term

The Operator undertakes and agrees that, save where events of force majeure prevent the performance of the Operator's obligations hereunder, it shall establish and maintain the Bus Service in accordance with this Agreement and the applicable Laws of Pakistan ply the Buses on the Routes(s), throughout the Term without any interruption. This continuing obligation is of the essence of this Agreement.

ARTICLE 11: OPERATIONAL SUBSIDY

11.1 Conditions Precedent to provision of Operational Subsidy

The following shall be conditions precedent to the provision of the Operational Subsidy:

- a) the continued validity and enforceability of the Performance Bank Guarantee; the continued validity of all Approvals, including the Route Permit(s); occurrence of Commercial Operations Date; and
- b) the establishment and continued operations of the Bus Service in accordance with the Service Performance Levels and installation of Fleet Management System

11.2 Availability of Operational Subsidy

- a) Parties understand and agree that the provision of Operational Subsidy is strictly conditional upon, inter alia, the actual distance plied by the Buses on the Routes. No Operational Subsidy shall be provided for any failure to ply the Buses on the Route, including any failure arising out of an event of Force Majeure.
- b) Further, no Operational Subsidy shall be payable for any distance plied by any of the Buses on the Route prior to the Commercial Operations Date.

11.3 Operational Subsidy Rates; Revision of Rates

11.3.1 Quarterly Revision

the Operational Subsidy rate specified in the Letter of Award shall be applicable during the first quarter starting from the Commercial Operations Date;

thereafter, the Operational Subsidy rates shall be revised on a quarterly basis in accordance with the formula set out in Part-A of Schedule-VI hereto [Operational Subsidy] ("Operational Subsidy Revision Formula"). The revised rate shall be determined by or before the fifth (5th) Business Day of a quarter and shall accordingly apply to Operational Subsidy

payments during the relevant quarter;

the revised rates shall be intimated to the Operator upon determination as aforesaid, and shall be binding upon the Operator;

Notwithstanding anything to the contrary, the rate of Operational Subsidy specified in the Letter of Award, as may be revised on a quarterly basis (or annual basis in accordance with this sub-Article 11.3.2), represents the optimal/highest/ceiling rate (“Optimal Operational Subsidy Rate”) applicable to the relevant quarter, payable for any given month in that quarter, albeit only upon Ninety percent (90%) compliance by the Operator with the Service Performance Evaluation Criteria during the relevant month. In case compliance with the Service Performance Evaluation Criteria during a month is below Ninety percent (90%), the actual rate of payment of Operational Subsidy (“Actual Operational Subsidy Rate”) shall be reduced proportionately as per the actual percentage.

By way of illustration, if the prevailing Optimal Operational Subsidy Rate is Rs. 10/- per Kilometer for the relevant quarter, while the compliance with the Service Performance Evaluation Criteria is eighty percent (80%) for the relevant month, the Actual Operational Subsidy Rate for that month will be Rs. 8/- per Kilometer, i.e., Rs. 10/- discounted by 20%.

11.3.2 Bi-Annual Revision

- a) Notwithstanding anything contained in sub-Article 11.3.1, the Operational Subsidy rate will be re-assessed/re-determined on an Bi-Annual basis starting from the Commercial Operations Date;
- b) For this purpose an annual survey (“Bi-Annual Survey”) will be undertaken by DOT in accordance with the parameters for Bi-annual Survey set out in Part-C of Schedule-VI hereto [Operational Subsidy]. The Bi-annual Survey will, as far as may be reasonably practicable, be undertaken on or around each anniversary of the Commercial Operations Date till the Expiry Date.
- c) The Operator shall render complete co-operation and assistance and shall honestly, diligently and efficiently provide all documents, information and data, required by DoT for the purposes of undertaking the Bi-annual Survey. The results of the Bi-annual Survey will be published by DoT and a copy thereof will be provided to the Operator;
- d) The Operational Subsidy rate assessed/determined by DoT pursuant to the Bi-annual Survey (“Bi-annual Re-assessed Operational Subsidy Rate”) shall be (i) intimated to the Operator; (ii) binding on the Operator; and; (iii) deemed to be the Optimal Operational Subsidy Rate for the quarter (as reckoned from the Commercial Operations Date)

immediately following the date of such determination (“New Quarter”). Provided that the actual payments of the Operational Subsidy for any given month in the New Quarter shall be made on the basis of the Actual Operational Subsidy Rate as determined in accordance with the method set out in sub-Article 11.3.1(d) with respect to the Re-assessed Operational Subsidy Rate. Provided further that until the commencement of the New Quarter, the payments of Operational Subsidy shall continue to be made in accordance with the Optimal Operational Subsidy Rate and the Actual Operational Subsidy Rates determined in accordance with sub-Article 11.3.1;

- e) For the avoidance of any doubts it is clarified that any re-assessment/re-determination of the Operational Subsidy rate pursuant to any Annual Survey hereunder will not entitle either of the Parties to seek any further payments or any refunds of any payments already, for/during the period part of the Term prior to the commencement of the New Quarter.

11.4 Payment of Operational Subsidy

- a) Subject to the provisions of sub-Articles 11.1, 11.2, 11.3 and the following provisions of this sub-Article 11.4, the Operational Subsidy shall be payable on monthly basis, in arrears, starting from the Commercial Operations Date.
- b) For the purposes of claiming the Operational Subsidy, the Operator shall, not later than the seventh (7th) Business Day of the following month, lodge a claim (“Operational Subsidy Claim”) in the form set out in Part-B of Schedule-VI hereto [Operational Subsidy], for the preceding month.
- c) The Operational Subsidy Claim shall be accompanied by a duly filled in performa for Service Performance Evaluation Criteria, duly signed by the principal accounts officer of the Operator and counter-signed by its chief executive officer/proprietor/managing partner, as the case may be. DoT shall also produce its own assessment with respect to compliance with the Service Performance Evaluation Criteria.
- d) In case the Operator and DoT’s respective assessments are identical, DoT will tender payment of the Operational Subsidy at the Actual Operational Subsidy Rate within seven (7) Business Days of the receipt of the relevant Operational Subsidy Claim
- e) In case DoT’s assessment with respect to Service Performance Evaluation Criteria for the Operator for the preceding month is at variance with the Operator’s version, then DoT’s assessment shall prevail and DoT may require the Operator in writing to amend/modify and re-submit its Operational Subsidy Claim in accordance with the Actual Operational Subsidy Rate determined as per DoT’s assessment, within 10 Days of the

receipt of DoT's aforesaid written request. In the event of failure or refusal by the Operator to issue an amended/modified Operational Subsidy Claim, DoT may choose to tender payment at the Actual Operational Subsidy Rate determined by DoT on the basis of its assessment; and such tendering of payment shall be valid, complete and final discharge by DoT of its obligation to pay the Operational Subsidy.

- f) subject to the foregoing, the Operational Subsidy shall be paid to the Operator either directly or, on behalf of the Operator, into bank account(s) notified for this purpose by the Operator, Lender or Lenders' Agent, as the case may, in accordance with the Financing Documents.

ARTICLE 12: REPRESENTATIONS AND WARRANTIES OF THE OPERATOR

12.1 Common Representations and Warranties

Each Party hereby represents and warrants to the other as follows:

- a) that it has the power and authority to enter into and perform this Agreement and the transactions contemplated hereunder, and its entry into and performance of this Agreement and the transactions contemplated by it do not constitute a breach of any obligation or default of any other agreement/contract by which he is bound.
- b) that it has the legal right and capacity to enter into this Agreement.
- c) the execution, delivery and performance of this Agreement and the transactions contemplated herein do not constitute a violation of any Laws of Pakistan or any agreements/contracts to which it is a party.

12.2 Operator's Representations and Warranties

The Operator hereby represents and warrants to DOT as follows:

Ownership and Control

- a) The information pertaining to the ownership, membership, shareholding and control of the Operator as furnished by or on behalf of the Operator along with its bid continues to be true and correct and that no information has been misstated or misquoted therein and/or withheld or concealed therefrom.
- b) The Owners' stake in the Operator shall be retained and no change shall be brought therein without the prior written consent of DOT, except a change brought about by operation of

law.

Constitutive Documents (Memorandum and Articles of Association etc.)

- c) The constitutive documents of the Operator, including its Memorandum and Articles of Association, where applicable, as existing on the Effective Date have not been and shall not be altered, amended or modified without the prior written consent of DOT.

Experience, expertise and skills

- d) The Operator possesses the necessary experience, expertise, skills, technical and industrial knowledge and know-how to successfully establish and maintain the Bus Service in accordance with this Agreement.

Operator's Undertaking

- e) The Operator's undertaking at the commencement of this Agreement comprises adequate assets and resources to fully implement its obligations under this Agreement and under and pursuant to the Motor Vehicles Ordinance; and the Operator shall at all times maintain a sufficient undertaking to operate proper and efficient Bus Service on the Route(s) in accordance with the Service Performance Levels.

Finances

- f) The Operator shall ensure that it possesses at all times the requisite financial resources to successfully fulfill its obligations with respect to the Project in accordance with this Agreement and the Financing Documents.
- g) The Operator has fully disclosed and revealed, and shall fully disclose and reveal, to DoT, the sources of the finances for the Project including the finances provided by the Lenders.
- h) The Operator shall not obtain any finances from any Person, including any financial institutions, whether within or outside Pakistan, against the security of the Buses, without the prior written consent of DoT.

Compliance with Laws

- i) the Operator shall conduct its business in general, and operate the Bus Service on the Routes, in particular, in strict compliance with the provisions of all applicable Laws of Pakistan for the time being in force, including, but not limited to, the Motor Vehicles

Ordinance.

- j) the Operator shall be responsible for compliance of all other applicable codes, statutory regulations and established practices and the policy directives issued by the GoPb from time to time; and shall comply with applicable laws, rules, regulations and by-laws whether now in force or which may hereinafter come in force during the currency of this Agreement.

Approvals

- k) the Operator shall at all times obtain and maintain, at its own sole cost and expense, all the Approvals in accordance with the Laws of Pakistan.
- l) the Operator shall, not later than 30 Days prior to the expiry of any Approval, inform DoT in writing of the expiry date of the relevant Approval and all steps and actions taken or proposed to be taken by the Operator to seek renewal or fresh grant of such Approval.
- m) In case of cancellation, termination, withdrawal or refusal of any Approval, the Operator shall inform DoT in writing of the reasons for such circumstances and all steps and actions taken or proposed to be taken by the Operator to rectify the same.

Buses

- n) the Buses procured and plyed on the Routes pursuant to this Agreement shall be brand new and shall be fully compliant with the Bus Specifications.
- o) the number of Buses operating on a Route shall be as specified in the Letter of Award.
- p) the Buses shall not be disposed of in any manner whatsoever without the prior written consent of DoT.

Routes

- q) Buses will be operated only on the Route(s) for which Route Permit(s) have been issued, and the Operator shall strictly follow the alignment of the Routes specified in the relevant Route Permit(s).
- r) The Operator shall not at any time stake or claim any exclusive right to receive any capital subsidy or operational subsidy for any buses plyed or to be plyed on the Route.

Operation and Management of the Bus Service

- s) The Bus Service shall be operated and managed by the Operator in compliance with the requirements of this Agreement and the applicable Laws of Pakistan.

- t) the Operator shall exercise all reasonable skill, care and diligence in operating the Bus Service, so as to ensure the safety of all persons involved, including passengers and all employees, agents and contractors of DoT, GoPb and the Operator;
- u) the Operator shall operate and manage the Bus Service and carry out its obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted techniques and practices used in standards recognized by international professional bodies, and shall observe sound management and technical and engineering practices and employ appropriate advanced technology.

ARTICLE 13: INSURANCE

13.1 The Operator undertakes that it shall, at its sole cost and expense, obtain and maintain till the Expiry Date comprehensive policies of insurance for the Bus Service from financially strong and reputable insurance companies.

13.2 The Operator shall, as and when reasonably required by DoT, provide to DoT copies of all such insurance policies and proof of up-to-date payments of the relevant premiums.

ARTICLE 14: FINANCE AND TAXES

14.1 Operator to obtain finance

Save as to the extent of DOT's commitment regarding the provision of the Capital Subsidy and the Operational Subsidy strictly in accordance with and subject to the terms of this Agreement, the Operator shall be solely responsible for obtaining all the finances, both debt and equity, necessary to finance, procure, operate and maintain the Project in terms of the relevant provisions of this Agreement.

14.2 Financial Records and Statements

a) The Operator shall carry out its business and affairs with due diligence and efficiency and in accordance with sound financial and commercial standards and practices and shall keep full and particular accounts of its business and affairs and cause the same to be properly posted up to date.

The Operator shall permit DoT's nominated auditors to have access to or to examine or to inspect

any accounts, books, records, documents.

The Operator shall furnish to DoT every year a copy of its annual report together with the related financial statement and auditor's reports.

The Operator shall, as and when desired by DoT during the Term, allow DoT to undertake detailed audit of the Operator's books and accounts, through DoT Auditor.

14.3 Taxes

Parties understand and agree that any all payments due to be made by DoT to, or on behalf of, the Operator shall be made after and subject to any and all withholdings of, and deductions for, Taxes in accordance with the applicable Laws of Pakistan. It is also agreed that no grossing up to off-set the effect of any such withholdings and deductions shall be permitted.

ARTICLE 15: TERMINATION

15.1 Operator Event of Default; Termination by DoT

In addition to as otherwise specifically provided for elsewhere in this Agreement, the following should be considered events of default on the part of the Operator ("Operator Events of Default"), giving DoT the right to terminate this Agreement in the manner stated in Article 15.3.

any breach or default by the Operator of or under this Agreement that is not remedied within ten (10) days after notice from DoT stating that a breach has occurred that could result in the termination of the Agreement and identifying the breach in question in reasonable detail.

any statement, representation or warranty by the Operator in this Agreement proving to have been incorrect, in any material respect, when made or when deemed to have been made, and such failure or incorrect statement, representation or warranty having a material and adverse effect on the Operator's ability to perform its obligations under this Agreement or on the obligations or liabilities of DoT under this Agreement;

Abandonment;

the cancellation, termination, withdrawal or expiry of any Approval, including a Route Permit;

an order is made or a resolution is passed for winding up of the Operator (except for the purpose of reconstruction or amalgamation not involving the realization of assets in which the interests of creditors are protected);

the Operator goes into liquidation or a receiver is appointed on the assets of the Operator or the Operator makes an assignment for the benefits of or enters into arrangement or composition with its creditors or stops payment or is unable to pay its debt; decree is passed against the Operator, execution or attachment is levied against the substantial portion of the Operator's assets.

the Operator defaults under the Financing Documents and fails in making payments to the Lenders as agreed and the Lenders have approached the DoT in the manner stated in this Agreement;

exercise by the Lenders of their remedies under the Financing Documents with respect to the Buses such that the Buses are taken over/re-possessed by the Lenders, and the failure by the Lenders to deliver an Election Notice (as defined in Clause 15.4(b);

the Operator fails to keep proper books of accounts or fails to allow their examination or provide the information in this regards to DoT/DoT Auditor as per terms of this Agreement.

the Operator fails to operate the Bus Service in accordance with the Service Performance Levels;

the Operator's ownership and control is altered without the prior written consent of DoT;

the Operator, during the validity of this Agreement, engages in any other activity or business other than provided for or permitted under this Agreement.

15.2 DoT Event of Default; Termination by Operator

15.2.1 in spite of the fulfillment by the Operator of all relevant conditions precedent and full compliance by the Operator with all its other obligations and duties under this Agreement, the Financing Documents and the applicable Laws of Pakistan, DOT fails or refuses to provide the Capital Subsidy and/or the Operational Subsidy subject to, and in accordance with, the terms and conditions of this Agreement. Provided that such default has not been remedied within fifteen (15) Business Days after notice from the Operator stating that a breach has occurred that could result in the termination of the Agreement and identifying the breach in question in reasonable detail.

152.1 in pursuance of any order/ degree/ judgment of the court

15.3 Termination Notices

Upon the occurrence of an Operator Event of Default or an DoT Event of Default, as the case may be, that is not cured within the applicable cure period, if any, the non- defaulting Party may, at its option, undertake termination of this Agreement by delivering a notice to terminate this Agreement (“Notice to Terminate”) to the defaulting Party. This Agreement shall terminate on the date specified in the Termination Notice, which date shall not be earlier than the date that is seven (7) Business Days following the date on which the Termination Notice is delivered to the other Party or later than fourteen (14) days following the date of such delivery.

15.4 Notice to Lenders of the Operator’s Default

- a) Anything in this Agreement notwithstanding, from and after the occurrence of the Financial Closing, DOT shall not seek to terminate this Agreement as the result of any default of the Operator without first giving a copy of any notices required to be given to the Operator under sub-Article 15.3, to the Lender(s). The Lender(s) shall be entitled to cure any such default within a fifteen (15) days cure period (“Lender Cure Period”) commencing upon delivery of each such notice to the Lenders. If Lenders have appointed a Lenders’ Agent, the notice delivered to Lenders’ Agent will be effective as if delivered to each of the Lenders. Each such notice shall be in writing and shall be deemed to have been delivered (i) when presented personally to the Lender or the Lenders’ Agent; (ii) when transmitted by facsimile to the number specified in accordance with the procedure set forth below; or, (iii) five (5) Days after being deposited in a regularly maintained receptacle for the postal service in Pakistan, postage prepaid registered or certified, return receipt requested, addressed to the Lender at the address specified by the Lenders.
- b) No rescission or termination of this Agreement by DoT shall be valid or binding upon the Lenders without such notice and the expiration of Lender Cure Period. The Lenders may make or procure, but shall be under no obligation to make, any payment or perform any act required to be made or performed by the Operator, with the same effect as if made or performed by the Operator. If the Lenders fail or are unable or unwilling to cure or the procure the cure of any Operator Event of Default, DoT shall have all its rights and remedies with respect to such default as set forth in this Agreement.
- c) Without prejudice to the foregoing, DoT and the Lenders may mutually agree to extend the Lender Cure Period.

15.5 Other Remedies

The exercise of the right of a Party to terminate this Agreement, as provided herein, does not preclude the Party from exercising other remedies that are provided herein or are available at law. Remedies are cumulative, and the exercise of, or failure to exercise, one or more remedy by a Party shall not limit or preclude the exercise of, or constitute a waiver of, other remedies by that Party; provided that the remedies and Compensation Amounts provided in Article 16 are the exclusive remedies available to each Party with respect to any termination of this Agreement as a consequence of the events described therein.

15.6 Condonation fee:

in case of any violation of the terms and conditions as mentioned in Annex-XI. The DoT may in its discretion either terminate this agreement as per clause 15.1 or accept from the operator such condonation fee as may be levied by the Company in this behalf on the operator's undertaking not to report the violation in future.

ARTICLE 16: RIGHTS AND OBLIGATIONS OF PARTIES UPON TERMINATION

16.1 Operator Event of Default:

In the event that DoT terminates this Agreement pursuant to an Operator Event of Default DoT will have the right, but not the obligation:

- a) to acquire, on its own or through its designee, all of the Operator's rights, titles and interests in and to the Buses. If DoT elects to acquire the Buses as aforesaid, DoT or its designee pay to the Operator the price calculated in accordance with the formula set out in Schedule-X [Payments upon Termination of Agreement]. If DoT has not elected to purchase the Buses within ninety (90) Days following the effective date of the termination, DoT shall have no further rights or interest in, or obligations to, the Buses; or
- b) to allow the Operator, or a suitable Person identified by the Operator and approved by DoT, to continue to operate the Buses on the Route, subject to obtaining all Approvals, including Route Permit(s). In this case the Operator will not be required to reimburse the proportionate part of the Capital Subsidy corresponding to the unexpired Term of this Agreement; or
- c) to allow the Operator to Dispose of the Buses to any other Person without the condition to ply the same on the Route. In this case the Operator shall reimburse to DoT the proportionate part of the Capital Subsidy corresponding to the unexpired Term of this Agreement.

16.2 DoT Event of Default

In the event the Operator terminates this Agreement pursuant to sub-Article 15.2 as a result of an DoT Event of Default:

- (i) the Operator may, subject to the Approvals, either on its own or through a transferee approved by DoT, continue to ply the Buses on the Route, in which case the Operator will not be required to reimburse the proportionate part of the Capital Subsidy corresponding to the unexpired Term of this Agreement; or
- (ii) Operator may Dispose of the Buses to any other Person without the condition to ply the same on the Route. In this case the Operator shall reimburse to DoT the proportionate part of the Capital Subsidy corresponding to the unexpired Term of this Agreement; or
- (iii) the Operator may require DoT to acquire, on its own or through its designee, all of the Operator's rights, titles and interests in and to the Buses and pay to the Operator the price calculated in accordance with the formula set out in Schedule-X [Payment upon Termination of Agreement]. This right may only be exercised within ninety (90) Days following the effective date of the termination, failing which it shall lapse and expire.

16.3 Reimbursement

Without prejudice to any reimbursements envisioned under sub-Article 16.2, in the event of termination of this Agreement for any reason other than an DoT Event of Default prior to the Commercial Operations Date, the Operator shall reimburse DoT for all costs and expenses (including reasonable attorney's fees and expenses) relating to the Project incurred by DoT prior to termination, which amount shall in any event not exceed Rs._____.

16.4 Obligations upon Termination

Upon expiration or earlier termination of this Agreement, the Parties shall have no further obligations hereunder except for obligations that arose prior to or arise upon such expiration or termination and obligations that expressly survive such expiration or termination pursuant to this Agreement, provided, however, that notwithstanding anything to the contrary in this Agreement, the rights and obligations under this Article 16 [Rights and Obligations of Parties Upon Termination]; and, Article 20 [Dispute Resolution] shall survive any termination or expiration of this Agreement.

16.5 Conditions of Transfer

Any transfer to DoT (or its designee) of the Buses shall be free and clear of all Encumbrances.

ARTICLE 17: FORCE MAJEURE

17.1 Where, by reason of events or circumstances beyond the reasonable control of and not reasonably foreseeable by a Party, the Party is prevented from performing an obligation under this Agreement, that Party will not be penalized for such non-performance if:

- (a) it notifies the other as soon as is reasonably practicable of such events or circumstances and of the period for which it expects to be prevented from performing its obligation(s) hereunder;
- (b) it takes all reasonable steps to avoid or limit the effects of such events or circumstances; and
- (c) it takes all reasonable steps to resume performing its obligation as quickly as possible.

17.2 For the purpose of sub-Article 17.1, the events and circumstances referred to include acts of God, war, natural disaster, strikes (other than strikes or go-slows by the Operator in particular or transporters in general), civil or military disturbance, but do not include shortages of or increase in the price of raw materials or equipment.

17.3 Should an aforesaid event of force majeure, which prevents performance of a substantial portion of the Operator's obligations hereunder, continue for more than three (3) months, DoT shall have the right to terminate this Agreement.

17.4 The termination of this Agreement pursuant to sub-Article 17.3 shall not affect any liability of the Operator already accrued prior to the effective date of such termination nor shall such termination affect the survival of any right, duty or obligation expressly stated elsewhere in this Agreement to survive such termination.

17.5 Upon termination under this Article 17, DoT shall have the same rights as set out in sub-Article 16.1.

ARTICLE 18: CONFIDENTIALITY

18.1 All disclosure of information under this Agreement shall be deemed to be confidential.

18.2 Except as provided below in this Article, the receiving Party of such confidential information agrees to treat the same as strictly confidential and shall not divulge, directly or indirectly, to any other person, firm, corporation, association or entity, for any purpose whatsoever, confidential information so received, and shall not make use of or copy such confidential information, except for the purpose of this Agreement. Such confidential information may be disclosed only to such of the employees, and consultants (if allowed under this Agreement) of the receiving Party who reasonably require access to such information for the purpose for which it was disclosed and who have secrecy obligations to the receiving Party.

18.3 The receiving Party shall promptly notify the disclosing Party upon discovery of any unauthorized use or disclosure of the confidential information and take all reasonable steps to regain possession of the confidential information and prevent further unauthorized actions or other breaches of this Agreement. Provided however, that notification and prevention of further unauthorized use and/or disclosure of confidential information shall not absolve the receiving Party from liability arising out of any breach under this Article.

18.4 This commitment shall impose no obligation upon either Party with respect to any portion of such information that:

- a) was known to the receiving Party prior to its receipt from the other Party;
- b) is now or which through no act of failure on the part of the receiving Party becomes generally known to the public;
- c) was/is lawfully supplied to receiving Party by a third party which the receiving Party in good faith believes is free to make such disclosure and without restriction on disclosure;
- d) is disclosed by the disclosing Party to a third party generally, without restriction on disclosure;
- e) is independently developed by the receiving Party without use of any confidential information provided by the disclosing Party.
- f) is required to be disclosed by applicable law, including order of the court or competent authority, provided that the receiving Party shall, where practicable, notify the disclosing Party immediately of such requirement. In that case the receiving Party shall, where practicable, notify the disclosing Party immediately of such requirement and shall assist it to participate in any proceedings to prevent such disclosure.

18.5 The obligation of confidentiality set out in this Article, shall survive the termination or expiration of this Agreement for a period of three (3) years.

ARTICLE 19: NO GUARANTEE OR ASSURANCE

19.1 For the avoidance of any doubts it is clarified that this Agreement and any transactions undertaken pursuant hereto is/are neither intended to nor does/would it/they constitute any guarantee or assurance:

- a) by the GoPb in favor of any Persons including, but not limited to, the Operator, the Lender(s) and/or the Bus Suppliers, regarding any obligations or responsibilities of DoT, the Operator and/or the Lender(s), as the case may be, under or pursuant to this Agreement and/or the Finance Documents;
- b) by DoT in favor of any Persons including, but not limited to, the Lender(s) and/or the Bus Suppliers, regarding any obligations or responsibilities of the Operator and/or the Owners, as the case may be, under or pursuant to this Agreement, the Procurement Documents and/or the Finance Documents.

ARTICLE 20: DISPUTE RESOLUTION

20.1 Disputes

If any dispute or difference arises between the Parties in connection with this Agreement or the transactions contemplated herein, the Parties undertake to use all reasonable endeavors, in good faith, to settle the dispute or difference by negotiations through senior managerial staff. If any dispute cannot be resolved within 21 days of it arising through such negotiations, it may be referred by either Party to arbitration pursuant to Clause 20.2.

20.2 Arbitration

If the Parties are unable to settle the dispute or difference by negotiation, either party may refer the dispute or difference to be settled by arbitration to be held in Lahore in accordance with the provisions of the Arbitration Act, 1940, of Pakistan by the sole arbitrator, who must be a retired judge of the High Court of Pakistan. The arbitral decision will be final and binding on the Parties. Unless otherwise ordered by the arbitrator, each Party shall bear its own costs of arbitration.

ARTICLE 21: INDEMNITY

21.1 The Operator shall indemnify and hold DoT harmless against any and all loss and damage suffered by DoT or any of its Affiliates, employees, agents, associates, brokers, consultants, officers, directors, promoters, shareholders, sponsors or subsidiaries, resulting from any act or omission, including but not limited to any breach or violation of this Agreement of/by the Operator and/or any of its Affiliates, employees, agents, associates, brokers, consultants, officers, directors, promoters, shareholders, sponsors or subsidiaries.

ARTICLE 22: MISCELLANEOUS PROVISIONS

22.1 Notices

All Notification by the operator will be made to DoT at the following address;

The Secretary Transport
Department of Transport
11A, Egerton Road,
Lahore, PAKISTAN

22.2 Governing Law

This Agreement and the transactions contemplated by it are governed by the Laws of Pakistan and, subject to Clause 20, each Party irrevocably and unconditionally submits to the exclusive jurisdiction of the relevant courts at Lahore, Pakistan.

22.3 Amendment

This Agreement can be amended only by agreement between the Parties in writing, executed by a duly authorized representative of each of the Parties.

22.4 Third Parties

This Agreement is intended solely for the benefit of the Parties, and, save as to the extent of Lenders' rights and obligations envisaged under this Agreement, nothing in this Agreement shall be construed to create any rights in, duty to, standard of care to, or any liability to, and Person not a Party.

22.5 Waiver and variation

A provision of or a right created under this Agreement may not be waived except in writing signed by the Party granting the waiver or varied except in writing signed by the Parties. If any such waiver or variation requires the consent or approval of any Government Authorities, it will only be effective on such consent or approval being obtained.

22.6 Relationship of the Parties

This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, of to otherwise bind the other Party.

22.7 Survival of Provisions

The cancellation, expiration or earlier termination of this Agreement shall not relieve the Parties of obligations that, by their nature, should survive such cancellation, expiration or termination, including, without limitation, warranties, remedies, promises of indemnity and confidentiality.

22.8 Further assurances

Each Party agrees, at its own expense on the request of the other Party, to do everything reasonably necessary to give effect to this agreement and the transactions contemplated by it and to use all reasonable endeavors to cause relevant third parties to do likewise.

22.9 Entirety

- a) Upon the occurrence of Financial Closing and the full effectiveness of this Agreement, this Agreement shall, subject to sub-Article 22.9(b), be the full and final expression of the agreement between the Parties on the matter contained therein. Except for the Letter of Award, which until Financial Closing, will govern the Project and supersede all documents and agreements between the Parties in relation to the Project, all written or oral representations, understandings, offers or other communications of every kind between the Parties in relation to the Project prior to this Agreement are hereby abrogated and withdrawn.
- b) Until the occurrence of Financial Closing, to the extent of any difference between the provisions of the Letter of Award and the provisions of this Agreement which are then effective, the Letter of Award shall be controlling as to the rights and obligations of the

Parties. After Financial Closing, to the extent of any inconsistency between the provisions of this Agreement and the Letter of Award, this Agreement will prevail.

22.10 Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

22.11 No liability for Review or identification

- a) No review, non-objection or approval by DoT (or any authority from which an Approval is to be obtained) of any agreement, document, instrument or specifications proposed by the Operator or any inspection of the Buses by DoT under Article 4 [Procurement of the Buses] shall relieve the Operator from any liability that it would otherwise have had for its negligence in the preparation of such agreement, document, instrument or specifications; or, failure to comply with the applicable Laws of Pakistan with respect thereto; or, to satisfy the Operator's obligations under this Agreement, nor shall DoT be liable to any Person, including, but not limited to, the Operator and the Lenders, by reason of its review and approval of an agreement, document, instrument or specifications.
- b) No identification by DoT of any Person(s) with whom the Operator is to enter into contractual relations, including, but not limited to, the Tracking Service Provider, shall result in any liability or responsibility on part of DoT for any acts or omissions or such Person(s). DoT does not give any assurance regarding the suitability, reliability, technical expertise, professional skill, credit or worthiness of any such Person(s) including but not limited to, the Tracking Service Provider, to any Person(s) including, but not limited to, the Operator and the Lenders.

22.12 Affirmation

- a) The Operator hereby declares that it has not obtained or induced the procurement of this Agreement or any contract, consent, approval, right, privilege or other obligation or benefit related to this Agreement or the Project from DOT or any other public sector entity through any corrupt or illegal business practice.
- b) Without limiting the generality of the foregoing, the Operator represents and warrants that it has fully disclosed in writing all commissions, brokerage and other fees, and other compensation (other than compensation paid to employees of the Operator for services provided) paid or payable to any Person within or outside Pakistan in relation to the Project

and has not given or agreed to give and shall not give, or agree to give to any Person within or outside Pakistan either directly or indirectly through any natural or legal person, including its affiliates, employees, agents, associates, brokers, consultants, officers, directors, promoters, shareholders, sponsors or subsidiaries (and any of their employees, agents, associates, brokers, consultants, officers, directors, promoters, shareholders or sponsors), 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 this Agreement or any contract, right, interest, privilege or other obligation or benefit related to this Agreement or the Project from DOT or any public sector entity, except that which has been expressly declared pursuant hereto.

- c) The Operator 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 the representations and warranties contained herein and the declarations required hereby. It agrees that any contract, consent, approval, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other right and remedies available to DoT, shall be voidable and without legal effect at the option of DoT.
- d) Notwithstanding any rights and remedies that available to and may be exercised by DoT in this regard, Operator agrees to indemnify DoT for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to DoT in an amount equivalent to ten (10) times the amount/value of any commission gratification, bribe, finder's fee or kickback paid or given by the Operator as aforesaid for the purpose of obtaining or inducing the procurement of this Agreement or any contract, right, interest, privilege or other obligation or benefit related to this Agreement or the Project from Operator or any public sector entity.

22.13 Counterparts

This Agreement has been duly signed by the Parties in two originals and the Parties have taken one each.

22.14 Language

The language of this Agreement and the transactions contemplated by it is the English language which language is the governing language despite its translation into any other language.

22.15 Public Announcements

A Party may not make any press or other announcements or releases in relation to this Agreement or the transactions contemplated by it without the prior written consent of the other Parties to the form and manner of the announcement or release unless that announcement or release is required to be made by law or by a stock exchange.

22.16 Severability

Any provision of or right created under this Agreement which is prohibited in any jurisdiction is in that jurisdiction ineffective only to the extent of that prohibition and the remainder of this Agreement shall be valid and binding as if such provisions were not included therein, unless the invalid/ineffective or violating provision comprises an integral part of, or is otherwise inseparable from, the remainder of this Agreement, in which case both parties shall attempt to agree on a provision which is valid and enforceable and not in violation of law of that particular jurisdiction and as similar as possible to the original provision; provided, however, that if both parties do not so agree within 30 days after the provision has been ruled invalid or ineffective or violating, then either party shall have the right to immediately terminate this Agreement by giving the other Party a written notice to that effect.

22.17 Obligations regarding guarantees

The Operator shall remain continually liable and responsible to ensure that:

- a) the Capital Subsidy Bank Guarantee and Performance Bank Guarantee, as the case may be, remain valid and effective throughout for such duration(s) as they are required under the terms of this Agreement and the Letter of Award to remain valid and effective; and,
- b) in case of any encashment thereof prior to the expiry of such duration(s), the same are renewed/refreshed/topped-up to ensure that the respective maximum amounts guaranteed thereunder at the time of the initial issuance thereof, are maintained throughout such duration.

SCHEDULE-I: BUS SPECIFICATIONS

Department of Transport Approved Specifications for City Diesel AC Bus		
Section 1: General		
1.1	Introduction	
	This Standard is not aimed to be an engineering design or full performance specification, but the DoT wants to ensure that buses in urban service are seen to be of a modern design incorporating the latest technologies so that they give a very good quality of ride and comfort.	
Section 2: Design & Performance		
2.1	Capacity /Dimension	
a	Seating Capacity	Over 39 passengers
b	Overall Length	12 m \pm 2 %
c	Overall Width	~2.5 m exclusive of side mirror
d	Rear Overhang	60 percent of the wheel base (Variation upto 2% is acceptable)
e	Front Overhang	45 percent of the wheelbase (Variation upto 2% is acceptable)
f	Overall Height	Max 3800 mm
g	Wheel base	Min 5000 mm
h	Gross Vehicle Mass	14000 Kg to 18000 Kg (approx.)
i	Turning Radius (m)	90% of overall Length
j	Gradeability (Fully Laden)	Min 20 %
k	Angle of Approach (Unladen)	7 to 9 degree
l	Angle of Departure (Unladen)	7 to 9 degree
m	Ramp over Angle (Half of the Brake Angle)	Min 4.5 degree
2.2	Performance Features:	
a	Acceleration (Fully Laden with A/C On)	0-20 km/h in less than 6 secs 0-50 km/h in less than 25 secs
b	Braking distance at 30 Km /h (Fully	Max 10 m

	Laden)	
c	Range without re-fuel (diesel)	Min 300 km in city areas
d	Emission	Min Pak 11 /Euro 11
e	External Noise	Max 85 dBA
f	Internal Noise	Max 80 dBA
2.3	Transmission	Manual (5 + 1)
2.4	Clutch	Hydraulic with pressure assisted
2.5	Brake System	Pressure Brake
2.6	Fuel Tank	Can travel 300 km in city areas without refueling once the tank is filled to maximum
2.7	Suspension	Heavy duty leaf spring type
2.8	Steering Position	Right Hand Drive (Power Steering hydraulic assisted)
2.9	Tires	Steel Radial - 16 PR
2.10	Wheel material	As per international code of practice /certification
2.11	Chassis and Body Structure	
a	The Chassis and associated components will be of a design and use protective material or techniques such that a bus can be expected to give 20 years reliable life under normal high-intensity urban operational conditions of services, with routine maintenance and without structural changes.	
b	Body Structure	Monocoque / Ladder Chassis
c	Rust Proofing	The Body and frame should remain rust free for the entire life span of the bus.
d	Insulation	The body should be fitted with heat and noise insulation (Non Flammable) so that interior noise shall not exceed 80 dBA during any part of the cycle.

Section:3 Accessibility		
3.1	Doors	
a	Doors Quantity	Min Two on left + One Emergency on right
b	Front Door	Min 700 mm single Min 950 mm Double
c	Rear Door	Min 950 mm single sliding /double swing
d	Door Closing requirements	Pneumatically operated
	Door Width is defined as clear space excluding any grab handles on the door	
e	Ladies Partition	Provided with a proper opening & closing door system (adjustable)
f	Driver seat	2 way adjustable seat
3.2	Wind Screen & Wipers	
a	Front Wind Screen	Laminated safety toughened glass min 8 mm thick, plain, flat with curved corners and crack proof
b	Wiper & Washer	Electrically operated 02 wipers at front windshield with washers (Separate motor for each wiper)
c	Rear Wind Screen	Tempered /toughened glass min 8 mm thick and crack proof
3.3	Ergonomics	
a	Interior Free Standing Height (Front)	2.2 m - 2.4 m
b	Interior Free Standing Height (Rear)	Min 1.9 m
c	Floor Height from road level	Upto 1100 mm
	Step Dimensions/height (Measured from the ground to top of stop nosing)	
d	Front	Max 400 mm
e	Rear	Max 400 mm

f	Any additional steps including aisle or seat plinths	Max 250 mm
g	Step Depth	Min 250 mm
Section 4: Passenger Safety		
4.1	Introduction	
	Passenger safety, speed and security of movement while boarding, accessing and leaving seated positions and alighting is paramount to the provision of a service that is attractive and timely to the public, and one in which they can have confidence.	
4.2	Step and Plinth Edges	
	All steps at door entry and exits or within the vehicle must have full width step edges and faces fitted with a distinctive high-visibility, non-slip/trip style nosing that contrasts, i.e. a solid band of contrasting color, with the immediate adjacent flooring material. the nosing dimensions in the horizontal and vertical planes must be within the range 45-50 mm in width. Sharks tooth style is not preferred. Plinths must have a minimum of similar nosing on the horizontal edge.	
4.3	Stanchions/handrails	
	Stanchions/handrails should be high-visibility contrasting color stanchions from either floor to ceiling or seatback to ceiling, as locations indicates, should be fitted with throughout the length of the bus and close to the aisle so that they are spaced at alternative seats left and right of the aisle, and a passenger can walk/move the length of the bus while able to hold a stanchion with one hand at all times. Additional stanchions are required immediately adjacent to doorways and in priority seating or wheelchair areas.	
4.4	Over hang hand rails should not be higher than 1900 mm.	
4.5	Stanchion/handrail maximum cross-section should be in range of 30-35 mm and may be of a circular or elliptical cross-section.	
4.6	For hand rails, clear space between any part of hand rail and all parts of hand rail other than its mounting shouldn't be less than 45 mm.	
4.7	Knurling is not encouraged for general cleanliness and hygiene reasons.	

4.8	Grab handle	
a	Grab handles should be of the same high visibility contrasting color material and have a circular and elliptical cross-section of 30-35mm on the maximum section.	
b	Grab handles required at following positions:	
	i) Doors	
	ii) Any priority seating area located to be readily accessible to any seated or wheelchair passengers, e.g. on the side walls where experience indicates short handle don't provide the assistance required.	
	iii) Fare Paying Area	
	iv) Integral to all seatbacks (except for rearmost seats) on the aisle side of any Forward or rearward facing seat and should be such that there is min 45 mm finger clearance to the handle.	
	v) On the underside of any folding seat located to provide a firm handle to any wheelchair passenger when maneuvering into, out of or occupying a wheelchair space.	
4.9	Flooring	Damp Proof material with aluminum chequered sheet 4mm thick on top
Section 5: Passenger comfort and Use		
5.1	Seating	
a	Passenger Area	0.202 m2 Area per passenger
b	Seat Width	Single Seat
c	Seat design & material	Seats should be ergonomically designed, placed keeping in view the passenger comfort & durability to withstand daily wear & tear with maintenance free features.
5.2	Demisting	
	A demisting system that ensures the following are kept clear at all times when the bus is carrying passengers:	
	i) The driver's windscreen	

	ii) All quarter light windows if fitted	
	iii) Front Door windows	
5.3	Lighting Passenger Comfort	Energy efficient lights which should provide light intensity of 300 LUX in all internal areas.
5.4	Electrical System	24 Volt DC
Section 6: Design Features of Bus		
6.1	General Design Features of the Bus	
6.2	Bus Drive	Right Hand Driven bus
6.3	Bus Design	Shall be suitable for daily operation of 16 to 20 hours in an urban passenger transport system with peak load of about 150% of bus capacity, average journey speed of about 18 km/h with frequent stops/starts.
6.4	Bus Suitability	The bus shall be proven design suitable modified to the climatic and operational conditions, infrastructure and road conditions as available in the urban/municipal areas of the Punjab.
6.5	Bus Structure	Bus structure shall meet the requirements of structural requirements of structural strength, stability, deflection, vibration, crashworthiness, roll over protection etc. Amongst others for at least following main loads:
		a) Static Loads
		b) Dynamic Loads

		c) Single Wheel bump loads
		d) Double Wheel bump (Diagonally opposite) loads
		e) Braking and acceleration loads
		f) Front impact loads
		g) Speed breaker loads
6.6	Bus Body Design	In accordance with specifications and international code of practice for bus body design.
6.7	Minimum Load Values Data	No part of structure shall intrude into residual space
		i) Bus tilted to its unstable position
		ii) Bus allowed falling freely under gravity from this position.
		e) Buckling factors shall be equal to or more than four.
		f) Various loads:
		Normal Loads (Static)= No. of Passengers (68 kgs) + Passenger luggage weight (7 kgs)
		Bump loads:
		Bump height = as per relevant international standards
		Case I: Single Wheel on bump/pot hole
		Case II: Diagonally opposite wheels on Bump/pot hole
		Case III: Both wheels (front & rear) on bump/pot hole
6.8	The bus Loaded to Gross Vehicle Weight (GVW), with crush load and under static conditions, shall not exhibit deflection or deformation that impairs the operation of the steering, doors, windows, passenger escape	

	mechanism and service doors.	
6.9	Besides meeting the statutory requirements the bus shall be designed with respect to its body and different aggregates/systems/sub-systems to operate satisfactorily in urban transport service for at least 10 years or 1000,000 km, whichever is later.	
6.10	Materials	Materials used in construction of buses shall be as per society of Automotive Engineers (SAE)/specifications and/ or other internal specifications meeting/surpassing the performance & other requirement as given in the international Bus Code. Wherever Pakistani Standards are not available, international acceptable standards may be referred.
Section 7: Engine Diesel		
7.1	Engine shall have adequate horse power must be over 200 hp but preferably between (200 – 250 hp) to obtain desired performance in respect of its adequacy of power, acceleration levels, emission norms, specific fuel consumption etc.	
	As the bus is required for operation in urban services, engines of adequate horse power at lower RPM levels with a high torque over a large RPM range are considered for use.	
7.2	Ambient Conditions:	
a	Temperature	-5 to 50 degree centigrade
b	Humidity Level	5% to 100%
c	Altitude Level	Over 700 meters
7.3	Parts availability	Parts should be easily replaceable.

a	Engine Mounting	The engine mounting shall be such as to minimize transmission of vibrations to the bus structure. The engine foundation and mounting shall also be so located as to facilitate easy accessibility & replacement.
b	Engine Overheating	Engine design must be such that it shall not be overheated during normal operating conditions of vehicle. An arrangement of audio-visual signal shall be provided in the event of engine getting overheated.
7.4	Insulation of Engine Compartment	The engine compartment shall be insulated to avoid transmission of heat and noise to saloon area. The passengers and engine compartment shall be separated by a bulkhead(s).
7.5	Engine Start Mechanism	A mechanism in the engine compartment shall be provided to prevent start of the engine from driver's seat while maintenance is being carried out near the engine compartment.
7.6	Cooling system	Heavy duty cooling radiator and other subsystems of cooling systems of cooling system shall be designed to efficiently dissipate heat from the engine system. De-aeration tank and pressurized radiator cap shall be

		provided. It shall be easy for filling and level checking of coolant. Replacement/maintenance of radiator and its items are also easily carried out.
Section 8: Paint		
8.1	Internal Paint	
a		Paint to sustain daily wear & tear and rust proofing upto 10 years
b		Useful life of Paint upto 10 years
c		Color Shade as per DoT's direction
8.2	External Paint	
a		Paint to sustain daily wear & tear and rust proofing upto 10 years
b		Useful life of Paint upto 10 years
c		Color Shade as per DoT's direction
Section 9: Color Scheme		
As per direction of DoT.		
Section 10: Windows & Ventilation		
a	Window design	Two piece design with flat and fixed top window glass and sliding bottom window glass.
b	Thickness of Glass	Min 4 mm
c	Type of glass	Safety toughened glass
d	Ventilation	At-least 2 Nos. Roof ventilators
Section 11: First Aid Kit		
a	First Aid Kit	Complete first aid kit which includes items, medicines, bandages etc. shall be provided fitted near driver seat at

		appropriate position.
b	Fire Extinguisher & Glass Break Hammer	At least 02 Fire Extinguishers (6 Kg DCP type each) & 02 Glass break hammers to be provided (one at front & other at rear)
Section 12: Tool Kit		
a	Manufacturer shall provide tool kit and other mandatory items as per MVR 138 (4)/other applicable rules comprising of common tools and other essential items required.	
b	One hydraulic jack per bus of a capacity of at least 15 Ton as per design of Bus shall also be supplied.	
Section 13: Air Conditioning		
a	Air Conditioning Capacity	Temperature should be maintained throughout the bus up to a maximum of 25 degree Celsius in fully laden condition during external atmospheric temperature of 50 degree Celsius
b	Performance	High cooling performance and air flow volume by installing a highly efficient evaporator and condenser with low air flow resistance.
c	Design	Slim and curved design creating a smooth integration of the A/C system into the bus.
		Wide design ensures smooth flow of cool air directly into the ducting inside the bus, eliminating the need for sub-ducts

d	Fuel Efficient system	Fuel saving by increased refrigeration cycle efficiency with the new multi-flow condenser and designed for improved air intake
Section 14: Electronic /Instrument panel /CCTV features /LED board /E-ticketing system/ Spare parts		
a	Instrument Panel	Aesthetically designed instrument panel should consist of Speedometer with KM counter, Air pressure gauges, Flashing- side indicators and switch, warning lamp for low air-pressure, warning lamp/buzzer for discharging of batteries, starter switch, dipper switch, Ammeter, Temperature gauge, Engine oil pressure gauge, Engine RPM Meter etc.,
b	Electronics/Telematics/VTS requirement	The bus architecture may be compatible with ITS and Vehicle Tracking System (VTS).
c	Destination Boards	The vehicle should have three (front, rear, side) electronic route destination boards -LED based (day light viewable) with PC interface or equivalent. Matrix size (Minimum): 128x16 at front, 96x16 on side and rear.
d	Stop Buttons	Electronic stop buttons at least on every alternate handrail vertical pipe support.
e	CCTV system	7" LCD screen on instrument panel connected with 2 close

		circuit cameras, one to see the rear view & other rear door passengers
f	E-Ticketing system	PC interface /compatible with RFID validators & writers
g	E-Ticketing wiring	Wiring for E-ticketing Validator /RFID at both the entrance doors
h	Spare tires	Minimum one spare tire requirement for city buses

SCHEDULE-II: BUS SERVICE INFRASTRUCTURE

Details of bus service infrastructure/operational requirements to be developed by the operator at depot are as follows:

- OFFICE BLOCK
- TRAINING/LECTURE ROOM
- WASHING BAYS
- WORKSHOP

Description	Capability
Paint Shop	Wide Spray Gun with Container
	Infra Red Lights
	Infra red Stand
	Under Coating Pump with Gun
Machine Shop	Milling Machine
	Auto mated Hack Saw
	Drilling Machine
	Lathe machine
	Hydraulic Press
Service Tools Engine)	Special Spanner For Cyl. Head
	Plate
	Valve Adjusting Spanner Main
	Shaft Bearing Installer
	Guide Mandrel For Fly Wheel
	Front Crank Shaft oil Seal
	Remover
	Nozzle Holder Remover
	Jig For Valve Stem seal(DE 12)
	Jig For Valve Stem (DE 12)
	Cylinder Liner Plate (DE 12)
	Cylinder liner plate(DE 12)
	Piston Sleeve
	Piston Pin Remover(DE 12)
	Piston Pin Remover(Dv 15)
	Mandrel For rear crank shaft Oil
	Seal
	Cylinder Liner Installer(DE 12)
	Cylinder Liner Installer(Dv 15)
	Main Shaft Bearing Puller
Reverse idle Shaft Remover	
Counter Shaft Bearing Puller	
Clutch Pilot Aligner	

Hand Tools	Mechanics hand tool Set
	Tap and die Set
	Screw Extractor Set
	Soldering Iron with Solder
	File Set
	Needle File Set
	Vice
	Solders terminal kit
	Snap Ring Pliers
	Auto Driver Set
	Hack Saw Frame and Blade
	Hammer Set
	Denter Hammer
	Plastic Hammer
	Double Face Hammer set
	Universal Pulley set
	Wool Cutting Scissor
	Work table
	Impact Socket Wrench set
	Adjustable Wrench Set
	Magnetic Stick
	Hexagon Wrench Set
	Adaptor Set(2pcs)
	Tool Stand
Tool trolley	
Extension Bar Set	
Stand By Power	Generators
Telecommunication	

SCHEDULE-III: BUS SERVICE STAFF

Note: The requirements set out in this Schedule are without prejudice to and in addition to the requirements under the Motor Vehicles Ordinance 1965 and the Motor Vehicle Rules 1969.

Selection Criterion for Drivers

- a) The age of the prospective driver should be between 25-45 years.
- b) The candidate must have a valid HTV (heavy traffic vehicle) & PSV (Public service vehicle) driving license with a clean driving history. The license shall be verified by the issuing authority in order to ascertain the genuineness of the license.
- c) The candidate shall have minimum 3 years experience of driving a Public Service Vehicle.
- d) The candidate should go through a driving Test both “written” and on “road” by a senior instructor of operator and/or an independent driving training school authorized by the Company.
- e) A background check of driver will be done by obtaining necessary clearance from the previous employer.
- f) The driver should be physically fit and on demand can provide a physical fitness certificate duly attested or issued by the Physician.
- g) Driver should have an Eyesight testing report to ensure his capability for safe driving of vehicle.

Selection Criterion for Fare Collector

- a) The age of the prospective FC should be between 25-35 years.
- b) The candidate must possess qualification of min. intermediate.
- c) The candidate possessing experience in same trade shall be preferred. In case of no experience, the candidate should have gone through the mandatory training before deputing as FC.
- d) The candidate should not be involved in embezzlement, cheating or dismissed by the previous employer.
- e) The FC should be physically fit and on demand can provide a physical fitness certificate duly attested or issued by the Physician.
- f) The company will ensure that FC behavior towards the passengers should be always friendly.

SCHEDULE-IV: BUS INDUCTION PLAN

Phase No.	Route No	No. of Buses	Time Period for Delivery	Cut-off Date for Commercial Operations
1				
2				
3				

SCHEDULE-V: CAPITAL SUBSIDY

Capitalized expressions used but not defined in this Schedule shall have the meanings given to them in the General Conditions of Agreement.

OPTIONS FOR PAYMENT OF CAPITAL SUBSIDY

1. Option-A: Upfront Payment

This option shall apply to the cases where the Operator seeks payment of Capital Subsidy prior to procurement.

1.1 Conditions Precedent to payment under Option-A

The following shall be conditions precedent to provision of Capital Subsidy under Option-A:

- a) provision and continued enforceability of the Performance Bank Guarantee;
- b) execution of this Agreement (including all annexes and schedules thereto); and
- c) provision to DOT of the Capital Subsidy Bank Guarantee.

1.2 Validity of Capital Subsidy Bank Guarantee

The Capital Subsidy Bank Guarantee shall remain valid and effective from the date of its issuance till thirty (30) Days from the date of the last to occur of the following events:

- d) the issuance of the Procurement Completion Certificate in accordance with sub-Article 4.3;
- e) the issuance of Route Permit(s) for all Buses in accordance with the applicable Laws of Pakistan;
- f) the registration of all Buses with the Motor Vehicle Registration Authority in accordance with Article 6 and the applicable Laws of Pakistan; and
- g) the issuance of the Tracking Establishment Certificate by DoT in accordance with sub-Article 7.5(g).

Option-B: Payment upon completion of procurement of Buses

This option shall apply to the cases where the Operator seeks payment of Capital Subsidy upon completion of procurement of Buses. For Option-B, Capital Subsidy Bank Guarantee will not be required.

1. Conditions Precedent to payment under Option-B

The following shall be conditions precedent to the payment of the corresponding tranche of the Capital Subsidy for each Procurement Phase:

- (a) the provision and continued enforceability of the Performance Bank Guarantee;
- (b) the execution of this Agreement (including all annexes and schedules thereto);
- (c) the issuance of the Procurement Phase Completion Certificate for the relevant Procurement Phase in accordance with sub-Article 4.3;
- (d) the issuance of Route Permit(s) for all Buses (in the relevant Procurement Phase) in accordance with the applicable Laws of Pakistan;
- (e) the registration of all Buses with the Motor Vehicle Registration Authority in accordance with Article 6 and the applicable Laws of Pakistan; and
- (f) the issuance of the Tracking Establishment Certificate by DoT in accordance with sub-Article 7.5(g).

(iii) MODES OF DISBURSEMENT OF THE CAPITAL SUBSIDY

The Capital Subsidy disbursement under Option-A or Option-B above may, subject to the fulfillment of the relevant Conditions Precedent, be made to the Operator in a bank account to be specified by the Operator. For this purpose, DoT will issue necessary instructions to its bank in the form set out in Para III below.

(iv) INSTRUCTIONS TO DoT'S BANK

Capital Subsidy under Option-A

The Manager [-]

Bank Lahore

Subject: Instructions Regarding Account No. _____-----

Dear Sir:

- a. We are writing with reference to our bank Account No. [-] (“DoT Account”).
- b. You are hereby irrevocably instructed that upon receipt of a letter from DoT duly signed by the Secretary of DoT, confirming the completion of the following actions:
 - i. provision and continued enforceability of the Performance Bank Guarantee;
 - ii. execution of the Facilitation Framework Agreement (including all annexes and schedules thereto); and
 - iii. provision to DoT of the Capital Subsidy Bank Guarantee,

you shall, without further recourse to DoT, immediately transfer funds of not more than Rs. _____ (Pak Rupees _____) in one lump sum from the DoT Account into account No. _____-maintained by M/s _____-(the “Operator”) with _____ Bank Limited _____ Branch Lahore.

c. That these instructions are issued in accordance with the terms and conditions of mutual agreement between DOT and the Operator, and are in consideration of their mutual covenants and promises.

Secretary Transport

Department of Transport

We, _____ Bank Limited, acting through duly authorized officers Mr. _____ [insert name and designation] and Mr. _____ [insert name and designation], do hereby state and confirm that we have received, understood and accepted the forgoing instruction and shall comply with the same.

For and on behalf of _____ Bank Ltd.

Capital Subsidy under Option-B

The Manager [-] Bank
Lahore

Subject: Instructions Regarding Account No. [-]

Dear Sir:

We are writing with reference to our bank Account No. _____-- (“DOT Account”).

You are hereby irrevocably instructed that upon receipt of a letter from DOT duly signed by the Chief Executive Officer and the General Manager (Finance) of DOT, confirming the completion of the following actions:

- i. the provision and continued enforceability of the Performance Bank Guarantee;
- ii. the execution of the Facilitation Framework Agreement (including all annexes and schedules thereto) (“FFA”)
- iii. the issuance of the corresponding Procurement Phase Completion Certificate in accordance with sub-Article 4.3 of the FFA;
- iv. the issuance of Route Permit(s) for all Buses (in the relevant Procurement Phase) in accordance with the applicable Laws of Pakistan;
- v. the registration of all Buses (in the relevant Procurement Phase) with the Motor Vehicle Registration Authority in accordance with Article 6 of the FFA and the applicable Laws of Pakistan; and
- vi. the issuance of the Tracking Establishment Certificate (for the Buses in the relevant Procurement Phase) by DOT in accordance with sub-Article 7.5(g) of the FFA.

You shall, without further recourse to DOT, immediately transfer funds from the DoT Account into account No. _____ maintained by M/s (the “Operator”) with _____ Bank Limited _____--Branch Lahore, as follows:

Procurement Phase Number	Capital Subsidy Amount to paid
Phase # 1	Rs. [-]
Phase # 2	Rs. [-]
Phase # 3	Rs. [-]

That these instructions are issued in accordance with the terms and conditions of mutual agreement between DOT and the Operator, and are in consideration of their mutual covenants and promises.

Secretary Transport
 Department of Transport

We, _____ Bank Limited, acting through duly authorized officers
 Mr. _____ [insert name and designation] and Mr. _____
 [insert name and designation], do hereby state and confirm that we have received, understood and
 accepted the forgoing instruction and shall comply with the same.

For and on behalf of _____ Bank Ltd.

SCHEDULE-VI: OPERATIONAL SUBSIDY**Part-A: Operational Subsidy Revision Formula [for quarterly revision]**

Following table shows the revision of operational subsidy rates with each increase of Rs.1/- in fuel price provided the Government of the Punjab does not decide to revise the fares:

Sr. No.	Fuel Type	Average Bus Mileage	Change in Op. Subsidy Rate
3.	Diesel	Km per Kg	

The formula for calculation of rate revision is:

Incremental Change in Rate = (New Price – Old Price)/Mileage per Km

Examples:

It is assumed that a Diesel bus will give an average mileage of 2.5 Km per litre. Therefore, if price of Diesel increases from Rs.106/- per litre to Rs.107/- per litre, the adjustment will be as follows:

Incremental Change in Rate = (107-106)/2.5 = 40 Paisa

SCHEDULE-VI: OPERATIONAL SUBSIDY [continued]**Part-B: Operational Subsidy Claim Form** (on Operator's letterhead)

Dated:

The Secretary Transport
 11-A, Egerton Road
 Lahore

Subject: Operational Subsidy Claim: _____, 20_____ [insert month and year]

Dear Sir,

With reference to the subject, we write to claim an operational subsidy for Route No. [-] for the month of _____, 20___ [insert month and year], amounting to a total of Rs. _____-as per following details:

Bus Registration #	Kilometers Travelled on Route	Operational Subsidy Rate	Total Amount Claimed

Grand Total:

Regards,

 [Authorized Representative of the Operator]

SCHEDULE-VI: OPERATIONAL SUBSIDY [continued]

Part-C: Parameters for Annual Survey

Sr. No.	Route Number(s) and Alignment Bid for	Minimum No. of buses required	Total Route Length (Km)	Average Speed (Km)	Peak /Off Peak Passenger Demand	Average Headway (Peak / Off Peak) (Minutes)	Round Trip Time (Minutes)

**SCHEDULE-VII: INSTRUCTIONS TO THE MOTOR VEHICLE REGISTRATION
AUTHORITY, LAHORE**

The District Officer/Excise and Taxation Officer

Lahore

SUBJECT: IRREVOCABLE INSTRUCTIONS REGARDING TRANSFER
OF MOTOR VEHICLES/BUSES

Ref: Application for Registration of HOV (Engine No. ; Chassis No.)

Dear Sir:

This is to inform you that the HOV (Engine No. _____
Chassis No. _____-), has been procured pursuant, inter alia, to a Capital Subsidy
provided by the DoT, GoPb, pursuant to contractual arrangements with the undersigned.

That the undersigned have agreed for good and valid consideration that the ownership of the
aforementioned HOV shall not be transferred and no attempt shall be made by us or on our behalf
to seek the recording with your office of any such transfer, without the prior written consent/NOC
of DoT

That accordingly, we hereby inform you that no transfer of ownership of the aforementioned HOV
may kindly be allowed/recorded in your official records without the written consent/NOC of DoT
duly signed by the Secretary of DoT for the time being.

This communication is being made for good and valid consideration received and may not be
varied, modified, revoked, superseded or replaced in any manner whatsoever without the receipt of
written communication to that effect at your office, duly signed by each of the undersigned as well
as the Secretary of DoT for the time being.

[Operator Signature and Seal]

[Bank Signature and Seal]

Acknowledgement of Receipt:

We hereby confirm the receipt of the above instructions/communication on [insert date].

District Officer/Excise and Taxation Officer

[Signature and Seal]

SCHEDULE-VIII: SERVICE PERFORMANCE LEVELS

Maintenance of Buses

The Operator shall ensure that the Buses are maintained in accordance with the Bus Supplier, and in case the Bus Supplier is not the manufacturer thereof, the relevant manufacturer's prescribed maintenance schedules.

Cleanliness and Hygiene

The Operator shall institute and implement sound practices for ensuring cleanliness and hygiene and in this regard:

- a) all Buses shall be cleaned of unnecessary papers, and swept out daily;
- b) particular attention shall be given to the cleanliness and repair of seats;
- c) all Buses available for service shall be washed on a regular basis in order to maintain them in a reasonably clean condition;
- d) all Buses will be thoroughly flushed and disinfected in cases of passenger sickness or accident;
- e) a continuing campaign of thorough interior cleaning of seats, walls, ceiling, windows and drivers area shall be carried out with a target frequency of each Bus having the interior thoroughly and completely cleaned eight (8) times annually.

SCHEDULE-IX: SERVICE PERFORMANCE EVALUATION CRITERIA

Sr. No.	Performance Standards	Field Measurement Criteria	Agreement by Operator Y – Yes N- No
1	Maintenance of the dispatch frequency from the depot	Trackers	
2	Required number of buses for operations	Trackers	
3	Operational Hours (Working days, Weekdays, Holidays)	Trackers	
4	Stoppage on designated stops only	Trackers	
5	Following the route alignment	Trackers	

SCHEDULE-X: PAYMENTS UPON TERMINATION OF AGREEMENT

[-]

SCHEDULE-XI: SCHEDULE OF CONDONATION FEE

Sr. No	Description Per violation	Fine per vehicle	Demerit Points
Bus Related defects/deficiencies			
1 3	Violation of road worthiness requirements as given in Schedule	1000	10
2	Defective, damaged, missing toeing device in the bus	500	5
3	Damaged, broken, loosely fitted, missing passenger seats	500	5
4	Discoloration, peeling off of paint, non painting of any repaired work inside the bus on any of its items	500	5
5	Missing, damaged, loosely hanging rub rails, hand grab rails, hand holds	500	5
6	Missing, expired, inoperative, fire extinguisher or fitment of one's different from original specifications	500	5
7	Missing, damaged, disfigured markings on reserved seats for various categories of passengers	500	5
8	Damaged floor, steps, hatches, hatch covers etc inside the bus	500	5
9	Any unauthorized fitment of radio, music system, or any other gadgets inside the bus without prior approval of DOT	500	5
10	Unclean, dirty bus outside or inside at the start of the trip	500	5

Sr. No	Description violation	Fine per vehicle per	Demerit Points
Driver/Conductor related faults/deficiencies			
1	Driver/conductor not wearing prescribed dress, badges, shoes etc	500	5
2	Unclean, torn dress	500	5
3	Not carrying driving license, Operator issued identity card/driving authorization, identity etc	1000	10
4	Smoking while on board the bus	500	5
5	Allowing any person to sit, stand or chat in the driver work area/near driver seat	500	5
6	Carrying weapons/arms of any kind on board the bus/ on person while on duty	1000	10
7	Not operating, causing it to not operate any passenger information system, gadgets, devices etc		
8	Not operating driving assistance devices like turn indicators, bus aligning system if any fitted to the bus, etc	500	5
9	Not following the working instructions issued by DOT's representative time to time	1000	10
10	Not aligning the bus with bus platform, not stopping the bus at proper place, not stopping for enough time,	1000	10

11	Quarrelling or otherwise ill treating passengers, other road users,	1000	10
12	stopping bus beyond the marked place at bus stops	1000	10
13	Driving bus in defective condition, running out of fuel on line	500	5
14	Taking, dropping passenger at unauthorized places	1000	10
15	Over taking buses operating under DOT on the same route	1000	10
16	Not issuing complaint book to the complainant for recording any complaint/suggestion etc	500	5
17	Loss of, damage of, tempering with the recordings in the complaint book and or the complaint book and or not informing/delayed informing DoT about the complaints/suggestions	500	5
18	Abandoning buses en route or at unauthorized places/locations	500	5

Sr. No	Description Violation	Fine per vehicle per	Demerit Points
Bus operator and or bus operation related deficiencies/ defaults			
1	Not following route, trips, schedules prescribed by DoT	1000	10
2	Not obtaining authorization for operation,	1000	10
3	Not obtaining/renewing Fitness certificate	2000	20
4	Parking buses at unauthorized places other than the parking yard if provided by the DoT	1000	10
5	Not submitting the required returns, data, information, documents periodically or as and when called for by DoT	500	50
6	Not taking corrective action on repeated occurrence of vehicle and or driver related deficiencies (occurrence of deficiencies more than 3 times in a month shall be termed as repetitive)	5000	50
7	Not permitting visits of DOT reps to the bus parking/holding/workshop areas for inspection etc of the buses/premises	1000	10
8	Not allowing inspection of buses as and when required by DOT	1000	10
9	No Issuing complaint book to the driver/conductor to be placed in each bus	500	5
10	Altering agreed practices without written authorization	1000	10
11	Alteration in provisioning of agreed fleet of buses,		

operational requirements, and or any other performance parameters without written consent of DOT	1000	10
12 Refusing to accept any document, paper, notices, circulars, instructions etc of the DOT	1000	10
13 Not ensuring timely execution of preventive, breakdown repair/maintenance of buses as per vehicle manufacturer prescribed norms/schedules	1000	10
14 Any damage to the fixed infrastructure like road, bus stops, terminals, parking places etc, during the operation	1000	10
15 Not adhering to the training schedules/programmers of the staff as suggested by DOT	1000	10
16 Not presenting the bus, staff or any other item at a time and place as indicated by DOT	1000	10