SUBJECT: EIGHT MEETING OF THE TECHNICAL & FINANCIAL EVALUATION COMMITTEE (TFEC) OF MALIR EXPRESSWAY PROJECT

A meeting of the Technical & Financial Evaluation Committee (the "**TFEC**") for the Malir Expressway Project (the "**Project**") was held on Tuesday 10th December, 2019 at 1:30 pm in the Committee Room of Planning & Development Board, Government of Sindh under the Chairperson, Planning & Development Board. The list of TFEC members in attendance at the meeting is attached herewith as **"Annexure A".**

2. The Chair initiated the meeting by welcoming the participants and asked the consultants to brief the TFEC members on the outcome of the financial evaluation, carried out by them. The financial consultant informed the TFEC members (in the presence of the bidders) that they have checked the financial bids of all the three bidders to assess if they have prepared their financial bids as per the parameters laid down in the RFP (which include the financial model, incorporation of taxes and indexation of rates). He further stated that for the purpose of evaluation and making all the bids comparable, the bidders' financial modal (Bidder Model) was compared with the financial model prepared by the transaction advisors (TA Model) and as a result of such comparison, the following inconsistencies have been observed:

Criteria		Bidders					
		FWO + ZKB		SMC		JN & Co. + HCL + NKB	
		TA Model	Bidder Model	TA Model	Bidder Model	TA Model	Bidder Model
PV of MRG Amount	Debt servicing	18.329 Bn	18.329 Bn	13.919 Bn	13.919 Bn	12.099 Bn	12.099 Bn
	O&M	3.450 Bn	3.446 Bn	7.649 Bn	5.776 Bn	1.830 Bn	1.833 Bn
	Taxes	0.496 Bn	0.487 Bn	0.330 Bn	1.089 Bn	0.409 Bn	0.997 Bn
	Grand Total	22.274 Bn	22.262 Bn	21.898 Bn	20.784 Bn	14.337 Bn	14.929 Bn

3. Following removal of such inconsistencies from the financial bids of all the three bidders, the bid price quoted by the consortium led by J.N & Co was found to be the lowest.

4. Thereafter, the financial consultants gave a detailed presentation to the forum on the entire evaluation process (both technical and financial) attached as **Annexure B**.

5. One of the bidders, SMC observed that since the consortium led by J.N & Co has not submitted indicate term sheet as required in the RFP, its bid should be declared non-compliant. In response to this observation, the legal and the financial consultants provided a detailed response highlighting that the absence of indicative term sheet (which is not a binding commitment by lenders) does not lead to disqualification in terms of RFP, however, the bidder, J.N & Co. has not been assigned any marks during technical evaluation for this non-submission.

6. The TFEC approved the Bid Evaluation Report (**attached as Annexure B**) prepared by the transaction advisors and recommended J.N & Co. as the preferred bidder. The TFEC further decided that the recommendations of the TFEC as to the preferred bidder be placed before the consideration and approval of the PPP Policy Board for issuance of letter of intent/award.

7. The meeting ended with a vote of thanks to the participants.

Director
PPP Unit

Project Director
Local Government Department

Mr. Sarosh Lodi
Vice Chancellor
NED University

Mr. Muhammad Saleh Memon
Senior Chief Development
Works & Services Department

for.
Mr. Roshan Ali Shaikh
Secretary
Local Government Department

for.
Mr. Syed Hasan Naqvi
Secretary
Finance Department

Ms. Naheed S. Durrani
Chairperson
Planning & Development Board

ATTENDANCE SHEET

8th Technical & Financial Evaluation Committee (TFEC) Meeting on Malir Expressway Project.

Committee Room of P&D Department,2nd Floor, Tughlaq House Building, Sindh Secretariat, Kamal Atta-Turk Road Karachi.	**10th December 2019 (Tuesday) at 01:30 PM**

S. NO.	NAME	DESIGNATION	DEPARTMENT	CONTACT NO.	SIGNATURE
1.	S. M. Taha	Special Secy Tech.	Local Govt Department	03009232477	
2.	Farooq Ahmed Siddiqui	PD MEWP	LGD	0331 2266322	
3.	Ahmed Rehan	Manager Contracts	FWO - ZKB JV	0333-5351998	
4.	Nayab Babar	Manager - Fin	FWO-ZKB JV	0334-5362132	
5.	Masood Khan	Exec Dir	SMC	0346-8203337	
6.	Muhammad Saleh Memon	Senior chief Dev:	W&S	03009206764	
7.	Assad Zamin	AS (FD)	FD		
8.	S. Shahnawaz	Dep - S.O/S.S.	IC dep. Plan	0333213 6573	
9.	Sarosh Hashmat Lodi	VC NED	NED UET.		
10.	Naheed S. Durrani	Chairperson P&D Board	P&D Dept.		
11.					
12.					