



UCH COMPRESSION PROJECT



**Design Engineering, Procurement (Supply), Construction, Installation/Erection, Pre-Commissioning, Commissioning & Start-up (including performance testing and Reliability Guarantee Test) of Compression System at UCH Compression Project
Tender Enquiry No. PROC-FC/CB/PROJ/UCH(COM)-4462/2019**

Pre-Bid Clarification-43		
Item No.	Query	Response
1	<p>Bidder find that the number of fuel gas skids is different in two tender documents:</p> <p>Appendix C (Bid Price Schedule) says there are Two (02) nos. of fuel gas skids, but the number of fuel gas skid is one in the mentioned PID (PID Dwg. No. 0221-PB-2106),</p> <p>Please clarify.</p>	<p>Please note that 01 No. of Startup Fuel Gas skid (with complete accessories as per Scope of work and referred P&ID # 0221-PB-2106) is required. Furthermore, as far as, individual fuel gas skids for turbines are concerned, refer Section 8.2.4 of Doc. # 0221-GS-9510-3 (Spec for Centrifugal Compressors). These skids are the part of Turbo Compressor Package and their prices shall be included in the package price. Accordingly ignore 2 nos qty as mentioned in bid price schedule.</p>
2	<p>There are two components for payment in UCH Compression Project:</p> <ol style="list-style-type: none">1. Offshore part (Direct Payment to bidder Head office out of Pakistan)2. Onshore Part (Payment to bidder branch office in Pakistan) <p>According to Finance Act 2020 passed on June 29 2020 by National Assembly, some changes are made in withholding tax on cohesive business operation. Please refer to section 152 (1A) and 152 (4B) of attached Income tax ordinance, in which the withholding agent is required to deduct only 20% of tax on payment to non-resident person after approval of the commissioner which is applicable on the foreign part (offshore part) of the contract.</p> <p>Please confirm whether 20% of the withholding tax, that is, $7\% \times 20\% = 1.4\%$ is applicable on offshore part of UCH Compression Project.</p>	<p>For exercising the option of reduced rate available under section 152(4B) of the Income Tax Ordinance 2001, the withholding agent will have to apply to the commissioner and he may accept or reject the application and OGDCL being withholding agent is bound by the decision of the Commissioner. However, to eliminate the risk, the vendor can take advance ruling under section 206A of the ordinance which will be binding on commissioner.</p>