



NATIONAL HIGHWAY AUTHORITY

28-Mauve Area, G-9/1, Islamabad
Finance Wing-Finance Section

No.5(3)/NHA/Fin-F/Insurance-UICL/2024-294

03rd September, 2024

The United Insurance Co. Ltd,
UIG House, 2nd Floor, 6-D, Upper Mall,
LAHORE.

SUBJECT: DE-LISTING OF M/S UNITED INSURANCE CO. LTD. DUE TO NON-ENCASHMENT OF PERFORMANCE GUARANTEE NO. UIC/RWP/D/P003/0000157143/1121/246-0 AMOUNTING TO RS. 222,400,000/-


United Insurance Co. (UIC) issued Performance Guarantee No. UIC/RWP/D/P003/0000157143/1121/246-0 for the project Construction of Widening and Strengthening of National Highway N-70 (Rakhi Gajj – Bewata) East West Road Improvement Project, Package-II: form KM 19+500 to Km 32+650 for Rs.222,400,000/- (Rupees Two Hundred Twenty Two Million and Four Hundred Thousand only) for the period valid upto 23-09-2023 in respect of contractor, M/s KAC-UCC (JV).

2. The contractor failed to fulfill its contractual obligations, therefore UIC was requested to encash the subject Performance Guarantee vide concerned office letter No. Accounts/AP/N-70/P-II/NHA/2023/1117 dated 15th September, 2023 and a reminder vide letter No. Accounts/AP/N-70/P II/NHA/2023/1145 dated 02nd October, 2023 to encash the said Performance Guarantee.

3. However, UIC once again failed to encash the Performance Guarantee ignoring clear clauses given in the Performance Guarantee on encashment and the undertaking submitted by UIC dated 21st July, 2022.

4. As M/s UIC's failed to encash the subject Performance Guarantee, it has been decided to delist the United Insurance Co. (UIC) from the NHA's approved panel of Insurance companies forthwith.

5. However, for ongoing projects, where United Insurance Company has provided Insurance/Guarantees/Bonds will remain valid till the defect liability period of project and UIC will be bound to revalidate if required.


(Muhammad Azam)
General Manager (Finance)

Distribution:-

- All Project Directors Zones/Regions, NHA.
- Director (Accounts) HQ/Zones/Regions NHA.

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