



NATIONAL HIGHWAY AUTHORITY

28-Mauve Area, G-9/1, Islamabad

Finance Wing-Finance Section

No.5(3)/NHA/Fin-F/Insurance-UICL/2022- 299

May 12th, 2022

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/L/P003/0000100236/0720/113-0**

It is informed that United Insurance Co. (UIC) issued Performance Guarantee No. UIC/L/P003/0000100236/0720/113-0 for the project Rawat-Rawalpindi widening Phase-II in contract No. RH-RWP-15-16-PH-02 KM 1533+00 to KM 1534+00 on N-5 for Rs.124,351,617/- (Rupees One Hundred Twenty Four Million Three Hundred Fifty One Thousand Six Hundred and Seventeen only) for the period starting from 15-03-2022 and valid upto 15-03-2023 in respect of contractor, M/s A.K Communication.

2. The contractor failed to fulfill its contractual obligations, therefore UIC was requested to encash the subject Performance Guarantee vide this office letter No.3(72)/NHA/A/c/Rev/2022/2080 dated April 14, 2022 and through a reminder dated May 9th, 2022 to encash the said Performance Guarantee on or before 11-05-2022.

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 3rd March, 2021.

4. In view of UIC's failure 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.

(Tariq Hussain Shah)

Director (Finance)

Distribution:-

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

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- All General Managers, NHA, HQ/Zones/Regions/Projects.
- General Manager (P & CA)
- Director (Legal)
- PS To Chairman