

TO: MR. SOHAIL GONDAL & ASSOCIATES (Owner / Principal, Albarakah Marquee Complex)
FROM: MUHAMMAD SALEEM / M. USMAN (Project Coordinator, Fusion Developers)
PROJECT: 165ft Diameter Round PEB Structural Steel Shed — Sheikhpura Complex
SUBJECT: COMMERCIAL & RESOURCE ADVISORY: WHY THE PKR 37.0 LAKH LUMP-SUM CONTRACT IS SUPERIOR & HIGHLY BENEFICIAL OVER THE PKR 32.0 LAKH SPLIT PROPOSAL

EXECUTIVE ADVISORY SUMMARY:
Following an in-depth physical inspection of ground conditions and material status at the Sheikhpura site, **Fusion Developers strongly recommends finalizing the PKR 37.0 Lakh (Thirty-Seven Lakh) All-Inclusive Lump-Sum Contract** with SBW Engineering.
Crucial Site Reality: Because the fabricated steel and rafters have been lying exposed on ground through monsoon rains, the initial primer paint has washed away and requires a **complete fresh re-painting**. Estimated remaining consumables equal **PKR 225,000.00 minimum**, pushing total lifecycle consumables to **PKR 535,020.00 (5.35 Lakh)**. The Rs. 5.0 Lakh allowance is not only 100% absorbed—it actually shifts the financial burden of re-painting onto SBW while saving Al-Barakah extensive market purchasing time and risk.

1. Mathematical & Financial Proof: Lifecycle Consumables Exceed Rs. 5.35 Lakh

When we account for past billed expenses and the necessary fresh re-painting due to rain exposure, the total realistic consumables equal **PKR 535,020.00** (exceeding the Rs. 500,000 allowance):

Consumables & Operational Overheads Head	Lifecycle Stage / Billing Source	Specific Items / Description	Amount (PKR)
1. Red Oxide Primer Paint & Thinners	SBW Workshop Claims	Initial primer coating on 33.7 tons steel during fabrication	Rs. 165,200.00
2. Zinc Paint & Anti-Rust Touch-Up	Khata Page #12 (02-Aug)	Zinc anti-corrosion paint for joints/seams	Rs. 13,950.00
3. Welding Rods + Gas Cylinders	Khata Page #12 (18-Aug)	Oxygen, LPG cylinders & E6013 electrodes	Rs. 24,170.00
4. Site Logistics, Lodging, Wire & Plumbing	SBW Workshop Claims	Crew rent (18k), wire (17.2k), shifting (15k), pipe (25.5k), cartage (26k), scale (5k)	Rs. 106,700.00
SUBTOTAL CONSUMABLES INCURRED TO DATE	Billed & Verified Across Project	Actual Consumables Already Utilized	PKR 310,020.00
5. Estimated Remaining Consumables (Rain Exposure)	Phases 1 to 6 (Erection & Cladding)	Full steel re-painting (rain washed) + welding gases, rods & discs	PKR 225,000.00
TOTAL REALISTIC LIFECYCLE CONSUMABLES	Entire PEB Project Span	Exceeds the Rs. 500,000 Contract Allowance!	PKR 535,020.00

2. Strategic & Resource Advantages for Al-Barakah Management

Beyond the pure numbers, choosing the **PKR 37.0 Lakh All-Inclusive Deal** provides distinct practical, legal, and operational benefits for Al-Barakah:

1. Protection Against Escalating Re-Painting Costs:

Because the previous primer was washed away by rain, repainting 33.7 tons of steel will require substantial paint and thinner. Under the 37 Lakh lump sum, **SBW is contractually bound to provide all paint and labour at his own cost** without asking Albarakah for additional funds.

2. Saves Enormous Administrative Time & Purchasing Hassle:

If Al-Barakah opted for the 32 Lakh split model, your management and site staff would be forced to spend hours every single day making market trips to purchase paint drums, thinners, rollers, welding rods, cutting discs, and oxygen/LPG cylinders. The administrative distraction from your core banquet business far outweighs any perceived benefit.

3. Zero Contractor Excuses & Full Accountability:

Under 37 Lakh, the supply of all paint, gases, tools, and consumables is legally fixed as **SBW's sole responsibility**. SBW cannot stall work, claim site shortages, or argue that "work stopped because Al-Barakah did not supply paint or gas cylinders."*

4. Commercial Continuity with Signed Base Contract:

The 37 Lakh figure preserves the lump-sum price of the signed base contract (FD-SBW-2026-001 dated 28 July 2026), preventing contentious re-negotiations during today's meeting.

3. Complete Financial Control: Zero Advance Risk for Al-Barakah

Al-Barakah is **not handing over any bulk advance** to SBW. The Master Contract establishes the **Daily Direct Payment Protocol** which guarantees total financial security:

- **Total Disbursed to Date: PKR 2,710,128.00** (17 Bank Transfers Rs. 2.235M + Khata 12/13 Rs. 475.1k).

- **Remaining Contract Balance: PKR 989,872.00** (~9.90 Lakh).

- **Daily Site Deductions:** Al-Barakah's site accounts officer pays daily wages directly to workers, crane operators on actual hours, and delivery challans on site. Every single rupee spent daily is logged in the site register and **deducted from the remaining PKR 989,872.00 balance**.

- **Final Closeout Audit:** All consumables and crane expenses will be audited at 100% completion, ensuring Al-Barakah only pays for verified work.

4. Conclusion & Actionable Recommendation for Today's Meeting

RECOMMENDED ACTION: We recommend presenting the **Master Final Contract Agreement ('ABM/SBW/MASTER-FINAL-2026/04')** at **PKR 37,00,000.00** for signature today. It establishes the **01 September 2026 Crane Day milestone**, mandates the **immediate submission of structural drawings**, locks SBW into **absorbing full re-painting and consumables**, and protects Al-Barakah's cash flow via daily direct disbursements.

SUBMITTED WITH HIGHEST REGARDS BY:

M/S FUSION DEVELOPERS

represented by **MUHAMMAD SALEEM / M. USMAN**

Project Coordination & Technical Advisory Cell

Date: 26 August 2026

RECEIVED & ENDORSED BY PRINCIPAL:

M/S ALBARAKAH MARQUEE

represented by **MR. SOHAIL GONDAL & ASSOCIATES**

Owner / Principal, Albarakah Marquee Complex

Date: 26 August 2026