



**APPOINTMENT OF CONSULTANTS**

**FOR**

**FINANCIAL CLOSURE OF THE CONSTRUCTION CONTRACT OF THE BOYS  
HOSTEL PROJECT AND ELECTRICAL INFRASTRUCTURE SYSTEM AT IBA MAIN  
CAMPUS**

**REQUEST FOR PROPOSAL (RFP)**

**NOVEMBER, 2016**

**Tel #: 021-111-422-422 / 021-99261510 (8 lines)**

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**INSTITUTE OF BUSINESS ADMINISTRATION**

**FINANCIAL CLOSURE OF THE CONSTRUCTION CONTRACT OF THE BOYS HOSTEL  
PROJECT AND ELECTRICAL INFRASTRUCTURE SYSTEM AT IBA MAIN CAMPUS,  
UNIVERSITY ROAD, KARACHI**

**LETTER OF INVITATION (LOI)**

You are invited to submit Technical and Financial Proposal based on single stage two envelope basis for the subject services which could be the basis of future negotiations, and ultimately a Contract between your firm and the Institute of Business Administration.

**PURPOSE**

The purpose of this Request for Proposal (RFP) is to select a competent Consultant for the subject project. This scope of work includes the scrutiny of financial claims of the Contractors within the parameters defined in the contract documents and PEC regulations. Details of the assignments are given in scope of services Section-5.

To enable you to submit a proposal, please find enclosed:

Guidelines	Section 1
Data Sheet	Section 2
Technical Proposal Standard Forms	Section 3
Financial Proposal	Section 4
Project Scope & Scope of Services	Section 5
Terms and Conditions.	Section 6
Integrity Pact	Section 7

The proposal should follow guidelines given in the enclosed documents of Letter of Invitation for Consultants. Method of evaluation to be adopted in evaluating the proposals will be based on enclosed guidelines (refer to clause 6 of Information to Consultants), with the technical evaluation being completed prior to any financial proposals being opened and compared:

**Technical Evaluation**

**100 Points**

The points to be given under each of the evaluation criteria are:

	<b>Points</b>
➤ Response to RFP (fulfillment of RFP requirements)	[15]
➤ Adequacy of the proposed work plan and methodology in response to the Terms of Reference	[40]
➤ Quality Assurance Plan	[10]
➤ Qualifications and competence of the key staff for Assignment	[35]
<b>Total Points</b>	<b><u>100</u></b>

**The minimum technical score required to pass : 80**

Please note that IBA is not bound to select any or all of the firms submitting proposals.

Consultants are being engaged by IBA for providing unbiased confidential reports.

The Consultants will use their experience and apply their expertise in achieving this aim during all stages of the assignment.

The Detailed Project Scope and Scope of Consulting Services are available Section 5 .

Please note that the cost of preparing a proposal and of negotiating a contract, including trips to the site is not reimbursable as a direct cost of the assignment.

We would appreciate you informing us:

- a) Your receipt of this letter of invitation
- b) Whether or not you will be submitting a proposal

The last date of submission of Technical and Financial proposal is **16<sup>th</sup> November 2016 till 15:00 Hrs. Technical bids will be opened at 3.30 P.M**

The Technical proposals will be opened the same day at 15.30 Hrs. in the presence of those who wish to be present.

It may also be noted that the Pre-proposal meeting will be held **on 9<sup>th</sup> November, 2016 at 15:00 Hrs** at IBA Main Campus.

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**Engr. Mahmood Ali**  
**Sr. Manager Execution**

Encl: As above.

## **SECTION 1**

### **GUIDELINES**

#### **1. Introduction**

- 1.1 IBA will select a firm on purely merit on the basis of Technical and financial proposals submitted by the firms, based on QCBS (Quality and Cost Based Selection).
- 1.2 The Consultants are invited to submit a Technical Proposal and a Financial Proposal, as specified in the Data Sheet for consulting services required for the assignment named in the Data Sheet. The proposal will be the basis for contract negotiations and ultimately for a signed contract with the selected firm.
- 1.3 The Consultants must familiarize themselves with local conditions and take them into account in preparing their proposals. Consultants are encouraged to attend pre proposal meeting as specified. Attendance is optional. Consultants may liaise with procuring agency named in the data sheet for giving better insight into the assignment, through written communication.
- 1.4 The Client will provide the inputs specified in the Data Sheet and make available relevant projects, reports and relevant documents
- 1.5 Please note that the cost of preparing the proposal and of negotiating the contract, including a visit to the Client, are not reimbursable as a direct cost of the assignment; and the Client is not bound to accept any of the proposals submitted.
- 1.6 Client's policy requires that Consultants provide professional, objective, and impartial advice and at all times hold the Client's interests paramount, without any consideration for future work, and strictly avoid conflicts with the assignments or their own corporate interests.
- 1.7 Consultants should observe the highest standard of ethics during the currency of the assignment. In pursuance of this policy, the client:

Defines, for the purposes of this provision, the terms set forth below as follows:

- (i) "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution; and
- (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the borrower, and includes collusive practices among Consultants (prior to or after submission of proposals) designed to establish prices at artificial, noncompetitive levels and to deprive the borrower of the benefits of free and open competition.
- (iii) will reject a proposal for award if it determines that the firm recommended for award has engaged in corrupt or fraudulent activities in competing for the contract in question;

- 1.8 Consultants shall furnish information as described in the Financial Proposal submission form (Section 4).

## **2. Clarification and Amendment of LOI Documents**

- 2.1 Consultants may request in writing a clarification of any of the LOI documents up to the number of days indicated in the Data Sheet before the proposal submission date in writing.
- 2.2 At any time before the submission of proposals, the Client may, for any reason, whether at its own initiative or in response to a clarification requested by an invited firm, amend the LOI. Any amendment shall be issued in writing through addenda. Addenda shall be sent by mail, cable, telex, facsimile, or electronic mail to all invited Consultants and will be binding on them. The Client may at its discretion extend the deadline for the submission of proposals.

## **3. Preparation of Proposal**

- 3.1 Consultants are requested to submit a proposal (para 1.2) written in English language.

### **Technical Proposal**

- 3.2 In preparing the Technical Proposal, Consultants are expected to examine the documents constituting this LOI in detail. Material deficiencies in providing the information requested may result in rejection of a proposal.
- 3.3 While preparing the Technical Proposal, Consultants must give particular attention to the following:
- (i) If a firm considers that it does not have all the expertise for assignment, it may obtain full range of expertise by associating with individual consultants (s) and / or other firms or entities in a joint venture or sub consultancy, as appropriate. Consultants may associate with the other consultants invited for this assignment only with approval of the client
  - (ii) The assignment is on fixed price. However, consultants have to provide details of professionals staff to be deployed, their qualification, man-months and remuneration etc
  - (iii) It is desirable that a majority of the key professional staff proposed be permanent employees of the firm or have an extended and stable working relationship with it.
  - (iv) Proposed professional staff must be qualified and have adequate experience, preferably working under conditions similar to those prevailing in the country of the assignment.
  - (v) Alternative professional staff shall not be proposed, and only one curriculum vita (CV) may be submitted for each position. If any change is proposed.

- (vi) Reports to be issued by the Consultants as part of this assignment must be in English Language. It is desirable that all the key staff have a working knowledge of English Language.

3.4 The Technical Proposal shall provide the following information using the attached Standard Forms (Section 3):

- (i) Any comments or suggestions on the RFP, data, services and facilities to be provided by the Client (Section 3A).
- (ii) A description of the methodology and work plan for performing the assignment (Section 3B).
- (iii) The list of the proposed staff team by specialty, the tasks that would be assigned to each staff team member and their deployment schedule. (Section 3C).
- (iv) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal (Section 3D). Key information should include number of years working for the firm/entity and degree of responsibility held in various assignments.
- (v) Any additional information requested in the Data Sheet or deemed necessary by the bidder.

Note: Please do not include company history and details.

3.5 **The Technical Proposal shall not include any financial information.**

#### **Financial Proposal**

In preparing the Financial Proposal, Consultants are expected to take into account the requirements and conditions outlined in the LOI documents. The Financial Proposal should follow Standard Forms (Section 4). It includes all costs associated with the assignment, including (a) remuneration for staff (local and foreign, in the field and at headquarters), and (b) reimbursable expenses such as subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture, and supplies), office rent, insurance, printing of documents, surveys.

The Data Sheet indicates how long the proposals must remain valid after the submission date. During this period, the Consultants are expected to keep available the professional staff proposed for the assignment. The Client will make its best effort to complete negotiations within this period. If the Client wishes to extend the validity period of the proposals, the Consultants who do not agree have the right not to extend the validity of their proposals.

Consultants should express fee for their professional services in Pak. Rs. only.

#### **4. Submission, Receipt and Opening of Proposals**

- 4.1 The original proposal (Technical Proposal and Financial Proposal; see para 1.2) shall be prepared in indelible ink. It shall contain no inter-lineation or overwriting.

- 4.2 An authorized representative of the firm initials all pages of the proposal. The representative's authorization is confirmed by a written power of attorney accompanying the proposal.
- 4.3 For each proposal, the Consultants shall prepare the number of copies indicated in the Data Sheet. Each Technical Proposal and Financial Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. If there are any discrepancies between the original and the copies of the proposal.
- 4.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "Technical Proposal", and the original and all copies of the Financial Proposal in a sealed envelope clearly marked "FINANCIAL PROPOSAL" and warning: "DO NOT OPEN WITH THE TECHNICAL PROPOSAL." Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and other information indicated in the Data Sheet and be clearly marked, "DO NOT OPEN, EXCEPT IN PRESENCE OF THE BID OPENING COMMITTEE."
- 4.5 The completed Technical and Financial Proposals must be delivered at the submission address on or before the time and date stated in the Data Sheet. Any proposal received after the closing time for submission of proposals shall be returned unopened.
- 4.6 After the deadline for submission of proposals, the Technical Proposal shall be opened on the day in the presence of those who want to be present on the date specified in LOI by the evaluation committee. The Financial Proposal shall remain sealed and will be opened in the presence of the representatives of the bidders that have technically qualified after opening of technical proposal.

## **5. Proposal Evaluation**

### **General**

- 5.1 From the time the bids are opened to the time the contract is awarded, if any Consultant wishes to contact the Client on any matter related to its proposal, it should do so in writing at the address indicated in the Data Sheet. Any effort by the firm to influence the Client in the Client's proposal evaluation, proposal comparison or contract award decisions may result in the rejection of the Consultant's proposal.
- 5.2 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation, is concluded.

## **6. Guidelines for Evaluation of Proposals**

- 6.1 On receipt of technical proposals, Consultant Selection Committee appointed by the client shall evaluate the technical proposals of all the contestants. The committee will evaluate each technical proposal as regards the understanding of project needs, methodology, work plan, time schedule, experience and qualifications of personnel to be assigned, present work load and other pertinent aspects in relation to the services required of the Consultants.
- 6.2 The client will then open the financial proposals after approval of Consultant Selection Committee of those three contestants scoring passing marks in the presence of such

Consultants who care to be present and will publicly announce the prices and terms of all technically qualified proposals.

**CALCULATING FINANCIAL SCORES: „WHERE BIDDER HAS DISCRETION TO SPECIFY HOW THEY WILL UNDERTAKE THE ASSIGNMENT“ (E.G CONSULTANCY, COMPLEX CONSTRUCTION PROJECTS, ETC.)**

Purchasing Authority first calculate the financial score (Sf) of the lowest price as per method discussed below.

The technical and financial scores must be weighted using the weights / scaling stated in the SBD / RFP document. This is normally in the range of 50 to 80% for the technical score and in the range of 50 to 20% for the financial score depends on the nature of the project and relevant importance of each major criteria. The combined weights must always total 100%.

For selection of consultants the technical score weighted is 80% for technical factors and 20% for financial cost.

To determine the weighted scores, multiply the actual technical and financial scores by the percentage weights stated in the SBD / RFP document.

To determine the total score, simply add the weighted technical and financial scores together.

The example in the table below; the Firm ‘A’ technical and financial scores received are mentioned in the original score column, the weights are stated in accordance with the SBD/RFP document, the calculation of weighted scores and the total score is as follows:

	<b>Original Scores</b>	<b>Weighted (e.g.)</b>	<b>Calculation</b>	<b>Results</b>
Technical	75	80%	75 x 80/100	60
Financial	85	20%	85 x 20/100	17
Total				77

**7 Procedure for Conducting Negotiations / Discussion**

7.1 Purchasing Authority / evaluators shall make recommendations in the evaluation report, as to whether negotiation/ discussions are required and the details of contracts to be negotiated / discussed. The recommendation to negotiate must be approved by the Consultant Selection Committee before any preparations are made. ( refer clause 79 of the SPPRA)



- 7.2 The Purchasing Authority shall identify member(s) of staff to manage the negotiation / discussions.
- 7.3 Purchasing Authority should invite the successful bidder for negotiation/ discussions, proposing the time, date and location for negotiation / discussions. The invitation letter may state that the bidder's tender has been evaluated as the successful tender, but it is important that no contractual commitment is made to the bidder i.e. the letter must not make any reference to the tender being accepted or a contract being awarded.
- 7.4 Purchasing Authority and Evaluators shall identify areas where negotiation/ discussions are required and identify and quantify the objectives that the Purchasing Authority wishes to achieve and set parameters for negotiating / discussing.
- 7.5 Purchasing Authority will lead the group to hold the negotiation / discussions with the successful bidder.
- 7.6 Minutes of meeting for negotiation / discussions should be prepared with recommendations on how to proceed.
- 7.7 Purchasing Authority should get approval from the Consultant Selection Committee for the recommendations and proceed as appropriate. Where the recommendation is for further negotiation / discussions with the successful bidder or negotiation/ discussions with the next lowest evaluated responsive bidder, this process should be repeated.

## **8 Award of Contract**

- 8.1 The contract will be awarded following negotiations. After negotiations are completed, the Client will promptly notify those Consultants who were unsuccessful and return to them unopened Financial Proposals.
- 8.2 The selected Consultant is expected to commence the assignment on the date and at the location specified in the Data Sheet.

## **9 Confidentiality**

- 9.1 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the proposals or to other persons not officially concerned with the process, until the winning firm has been notified that it has been awarded the contract.

## SECTION 2

### DATA SHEET

Clause

Reference

1 The name of the Client is Institute of Business Administration

The method of selection is based on the listed evaluation criteria in Clause 6 .1, information to Project Manager. Bidders are expected to prepare most feasible and workable methodology.

2 The name, objective and description of the assignment is:

**“Appointment of Consultants for Financial Closure including detailed Scrutiny of Financial Claims of the Contractors of Boys Hostel Block B&C at IBA Main Campus Karachi”.**

Detailed objectives are given in RFP.

3 A pre-proposal conference will be held on the date specified in the covering letter.

The name (s), addresses (s), and telephone numbers of the Client's official (s) are:

Director Projects  
Institute of Business Administration  
IBA Main Campus  
University Road  
Karachi.

Tel: 021-111-422-422/2500

Email: Rehanul Ambia Riaz / Director Projects @ Main Campus  
<rriaz@iba.edu.pk>

1. Engr. Mahmood Ali  
Senior Manager (Execution)  
Institute of Business Administration  
NBP Technology Building  
IBA Main Campus  
Karachi.

Tel: 021-111-422-422/2518

Email: mahmoodali@iba.edu.com>

4 The Client will provide the following inputs:

IBA will provide the Consultants with all available data, information, studies and reports.

IBA will provide liaison and will ensure that the Consultants should have access to the relevant record /data available with the IBA, for the completion of their assignment. IBA may assign qualified counterparts from its staff to work with personnel of the Consultants for the purpose of the liaison.

5 Clarifications in writing may be requested seven (07) days before the submission date.

The address for requesting clarifications is:

Engr. Mahmood Ali  
Sr. Manager (Contracts)  
Institute of Business Administration  
IBA Main Campus  
Karachi University  
Karachi

Tel: 021-111-422-422 /2518  
Email: <mahmoodali@iba.edu.com>

- 6 Proposals should be submitted in English language
- 7 The Consultants are required to submit details of estimated number of professional staff-and man-months required for carrying out the Services.
- 8 Taxes: Taxes as per Laws of Government of Pakistan. Complete information on taxes to be obtained by Consultants from the tax department.
- 9 Proposals must remain valid for 120 days after the submission date without change in the methodology, personnel proposed for the assignment and price proposed.
- 10 Number of copies of technical and financial proposal:

Technical Proposals: Original + 7 Copies  
Financial Proposals: Original + One Copy

- 11 The proposal submission address is:

Sr. Manager (Execution)  
Institute of Business Administration  
IBA Main Campus  
University Road  
Karachi.

Tel: 021-111-422 422/2518  
Email: <mahmoodali@iba.edu.com>

Information on the outer envelope should also include:

Name and Address of the Bidder submitting proposal, and name of assignment, with type of proposal as Technical or Financial:

- 12 The address to send information to the Client is:

Sr. Manager (Execution)  
Institute of Business Administration  
IBA Main Campus University Road  
Karachi.

Tel: 021-111-422-422/2518

6.1 The points to be given under each of the evaluation criteria area: Points

- |    |   |      |
|----|---|------|
| 1. | Response to RFP (fulfillment of RFP requirements)   | [15] |
| 2. | Adequacy of the proposed work plan and methodology in response to the Terms of Reference    | [40] |
| 3. | Quality Assurance Plan  | [10] |
| 4. | Qualifications and competence of the key staff for the Assignment Organization and Staffing | [35] |

**Total Points** **100**

**The minimum technical score required to pass** : **80**

<b>01</b>	<b>RESPONSE TO RFP</b>	<b>Assigned Marks breakup</b>
	1. Level of Clarity and completeness	05
	2. Understanding of the objectives	05
	3. Responsive to terms of reference	05
	<b>Total</b>	<b>15</b>
<b>02</b>	<b>ADEQUACY OF PROPOSED PLAN AND METHOGOLY</b>	<b>Assigned Marks breakup</b>
	1. Staffing Schedule	08
	2. Technical Approach	10
	3. Work Schedule	07
	4. Flexibility and adoptability of work methodology	08
	5. Adequacy of resource utilization	07
	<b>Total</b>	<b>40</b>
<b>03</b>	<b>QUALITY ASSURANCE PLAN</b>	<b>Assigned Marks breakup</b>
	1. Company Quality Assurance Document	10
	<b>Total</b>	<b>10</b>
<b>04</b>	<b>QUALIFICATION &amp; COMPETENCH OF KEY STAFF</b>	<b>Assigned Marks breakup</b>
	1. General Qualification, age status (type position held)	08
	2. Experience in similar assignment (length of experience)	08
	3. Competence of the employee to carry out assignment	12
	4. Task assigned	07
	<b>Total</b>	<b>35</b>



**SECTION 3**

**TECHNICAL PROPOSAL STANDARD FORMS**

- 3A. Firm's comments and suggestions on the RFP.
- 3B. Approach paper on methodology and work plan for performing the assignment.
- 3C. Composition of the team and task(s) of each team member
- 3D. Curriculum vitae of proposed professional member

3A. COMMENTS AND SUGESTIONS OF CONSULTANTS ON THE TERMS OF REFERENCE.

**3B. APPROACH PAPER ON METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT:**

Approach, methodology and work plan to be submitted by the firms must include the Following:

- A) Understanding of the objectives
- B) Detailed methodology
- C) The work plan
- D) The manning schedule

Note: In case the above approach, methodology and work plan is not provided by the firms, the technical proposal shall be considered as non-responsive and will cause for rejection of the firms



**3C. COMPOSITION OF THE TEAM (PERSONNEL) AND TASK(S) OF EACH TEAM MEMBER**

1. Team Leader
2. Team members

**3D. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF**

Proposed Position:

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Name of Firm

---

Name of Staff

---

Profession:

---

Date of Birth

Nationality:

---

Years with Firm /Entity:

---

Membership in Professional Societies:

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Detailed Tasks Assigned:

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Key Qualifications:

[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations]

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Education:

[Summarize college / university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]

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Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments. Also give types of activities performed and client references, where appropriate]

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Languages:

[For each language indicate proficiency: excellent, good, fair, or poor; in speaking, reading, and writing]

Details of similar assignment

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Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

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Date \_\_\_\_\_

[Signature of staff member and authorized representative of the Firm] Day /Month/Year

Full name of staff member :

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Full name of authorized representative:

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**SECTION 4**

**FINANCIAL PROPOSAL STANDARD FORM**

1. Professional fee as fixed fee for

(A). Boys Hostel -----

(B) Electrical Infrastructure \_\_\_\_\_

**2. Mode of payment ( Applicable individually or collectively for A and B )**

- |      |   |         |
|------|---|---------|
| 2.1  | Submission of draft report  | 40% fee |
| 2.2. | Submission of Final Report  | 40% fee |
| 2.3. | Approval by Audit & Finance Committee of IBA<br>and Closure of Assignment . | 20% fee |

**3. Reimbursable**

(Give here details of any reimbursable to be billed at actual)

## **SECTION 5**

### **SCOPE OF SERVICES**

#### **A. BOYS HOSTEL B&C , MAIN CAMPUS KARACHI**

##### **BACKGROUND**

1. The project "Construction of Boys Hostel Blocks B & C" at Main Campus IBA Karachi was awarded to Contractor M/s Hasscon Services in June 2014. The commencement date was fixed as July 10, 2015 and completion date was January 25, 2016.
2. The contract was signed on 1st July 2014 based on the approved bid document in conjunction with FIDIC 1987 reprinted 1992.
3. Project Architects are M/s Najmi Bilgrami Collaborative Ltd (NBCL) and their Sub Consultants are responsible for designing and top supervision of the project including quality assurance. Project Management of the project is entrusted to the in-house team of IBA. As per contract clause 1.1, IBA was designated officially as "Engineer", who acted in accordance with the responsibilities and Authorities delegated under clause 2.1 of the contract.
4. In the beginning contractor's performance was satisfactory but later on project progress suffered due to insufficient manpower and material inputs from the contractor. Repeated advices were given to the contractor to put in adequate resources to catch up the progress to avoid liquidated damages as per contract clause 47.1. Responses from contractor were not seen as he did not take any effort to speed up the work and failed to complete the project on time.
5. Contractor was facilitated by additional advance amount of Rs.20 Million during currency of the contract, in addition to unadjusted mobilization advance, yet the contractor did not accelerate the progress resulting only completion of 45% work on 25th January 2016, which was the target date of completion of the Project. The 45% work included completion of 38 rooms which were handed over to IBA management and occupied by the students February 2016.
6. Contractor submitted a request for extension of time on September 26, 2015 to IBA, for extension in time of completion for 6 months i.e. Up to July 31st 2016. This was rejected by IBA. The contractor contested this in various meetings held by IBA on this subject but both the organizations did not reach to consensus on any point. The Bonds, Guarantees and Insurances had expired on 25th January 2016 and the contractor did not extend them in spite of repeated reminders in contravention of clause 10.1 of the contract. During this period progress of work at site became almost nil, while the contractor demobilized from site in March 2016 without any intimation. At present the site is closed.
7. IBA Audit and Finance Committee advised Projects Department to assess any genuine claim which could be technically and contractually admissible.
8. This assignment is therefore involves scrutiny of claims keeping in view the contractual aspects, genuineness of the time delays and any financial claim if supported by verifiable documents and evidences as admissible under the contract clauses.

9. This assignment also involve the assessment of losses to IBA due to abandonment of the works by the contractor ,complete report along with recommendation for the losses to be submitted in case the matter not settled with contractor.

### **SCOPE OF SERVICES**

1. Study of the case and submission of detailed methodology and approach for scrutiny for approval of IBA
2. Scrutiny of Contractors Claims against the project on basis of Contract, available documents and keeping in the light of Pakistan Engineering Council regulations, Contract Conditions and SPPRA rules and regulations.
3. Recommend the rejections wherever disallowed by the terms of the contract and the admissibility of the genuine claims amount for negotiation and settlement with the Contractor.
4. Assist for settlement/negotiations meeting with the Contractor or IBA legal council
5. Assessment of Financial losses to IBA if the matter not settled with contractor.
6. Recommend the recovery of losses from contractor
7. Submission of Report along with final documents.

Note: All the correspondence and documents shall remain the property of IBA and Consultant are liable to return all documents and correspondence to IBA after completion of the project or whenever required.

Available documents will be as follows

1. Drawings
2. Contract Documents
3. Specifications
4. Minutes of Meeting (MOM)
5. Site Instructions
6. Measurement Sheets
7. Necessary communication sent
8. Any other available document as required by the Consultant

### **SCOPE OF SERVICES**

#### **B. ELECTRICAL INFRASTRUCTURE**

#### **BACKGROUND**

1. The project "Electrical Infrastructure" at Main Campus IBA Karachi was awarded to Contractor M/s NEC in July, 2012. The commencement date was fixed as September 01, 2012 and completion date was June 14, 2013.
2. The contract was signed on September 01, 2012 based on the approved bid document

3. Project Architects are M/s Najmi Bilgrami Collaborative Ltd (NBCL) and the designers were M/s KP.Associates who were responsible for designing and top supervision of the project including quality assurance. Project Management of the project was entrusted to M/s Nespak who as per contract clause 1.1.22 were designated officially as “Engineer”, and acted in accordance with the responsibilities and Authorities delegated under the contract.
4. Project met certain delays and the contractors were accorded Extensions of time in accordance with the contract conditions. Project completed on May 30, 2014 and substantial completion certificate was issued on May 30, 2014.
5. However M/s NeC submitted their financial claim on December 26, 2014. The claim was scrutinized and rejected by Nespak as well as the designers (M/s KP Associates) on May 07, 2015 and May 11, 2016. The rejection letter contained a paragraph recommending IBA to further evaluate some portion of the claim. Contractor submitted its dissatisfaction letter on April 6, 2016 and asked to go for arbitration. Management viewpoint was to go for an amicable solution prior to arbitration. In this regard IBA had about two meetings with the Contractor to go for an amicable solution. On failure of the discussions it was finally agreed on October 13, 2016 that IBA will engage third party to scrutinize the claim and that the decision of that party will be binding on both the parties subject to the approval of the Audit and Finance Committee of IBA

### **SCOPE OF SERVICES**

1. Study of the case and submission of detailed methodology and approach for scrutiny for approval of IBA
2. Scrutiny of Contractors Claims against the project on basis of Contract, available documents and keeping in the light of Pakistan Engineering Council regulations, Contract Conditions and SPPRA rules and regulations.
3. Recommend the rejections wherever disallowed by the terms of the contract and the admissibility of the genuine claims amount for negotiation and settlement with the Contractor.
4. Assist for settlement/negotiations meeting with the Contractor or IBA legal counsel, if required
5. Submission of Report along with final documents.

Note: All the correspondence and documents shall remain the property of IBA and Consultant are liable to return all documents and correspondence to IBA after completion of the project or whenever required.

Available documents will be as follows

1. Drawings
2. Contract Documents
3. Specifications
4. Minutes of Meeting (MOM)
5. Site Instructions
6. Measurement Sheets
7. Necessary communication sent
8. Any other available document as required by the Consultant

**SECTION 6**

**TERMS AND CONDITIONS**

**CONTRACT FOR ENGINEERING CONSULTANCY SERVICES**

**between**

**INSTITUTE OF BUSINESS ADMINISTRATION**  
**(NAME OF THE CLIENT)**

**and**

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**(NAME OF THE CONSULTANT)**

**for**

**Appointment of Consultant for Scrutiny of Financial Claims and Financial Closure of  
Projects**

**November, 2016**



**FORM OF CONTRACT**

- [Notes: 1. Use this Form of Contract when the Consultants perform Services as Sole Consultants.
2. In case the Consultants perform Services as a Member of the joint venture, use the Form included at the end.
3. All notes should be deleted in the final text.]

This CONTRACT (hereinafter called the "Contract") is made the \_\_\_\_\_ day of the month of \_\_\_\_\_(year) \_\_\_\_\_, between, on the one hand,  
 \_\_\_\_\_  
 \_\_\_\_\_

(Hereinafter called the "Client" which expression shall include the successors, legal representatives and permitted assigns) and, on the other hand,

\_\_\_\_\_ (Hereinafter called the "Consultants" which expression shall include the successors, legal representatives and permitted assigns).

**WHEREAS**

- (a) the Client has requested the Consultants to provide certain consulting services as defined in the General Conditions of Contract attached to this Contract (hereinafter called the "Services"); and
- (b) the Consultants, having represented to the Client that they have the required professional skills, and personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this Contract;

NOW THEREFORE the Parties hereby agree as follows:

- 1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
  - (a) The General Conditions of Contract;
  - (b) The Special Conditions of Contract;
  - (c) The Appendices:
- 2. The mutual rights and obligations of the Client and the Consultants shall be as set forth in the Contract, in particular:
  - (a) The Consultants shall carry out the Services in accordance with the provisions of the Contract; and
  - (b) The Client shall make payments to the Consultants in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused the Contract to be signed in their respective names in two identical counterparts, each of which shall be deemed as the original, as of the day and year first above written.

Witness \_\_\_\_\_  
For and on behalf of  
\_\_\_\_\_  
(CLIENT)

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Seal \_\_\_\_\_

Witness \_\_\_\_\_  
For and on behalf of  
\_\_\_\_\_  
(CONSULTANTS)

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Seal \_\_\_\_\_

*[Note: Provide adequate space for signatures, name, title and seal.]*

## GENERAL CONDITIONS OF CONTRACT

### **1. General Provisions**

#### **1.1 Definitions**

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- (a) "Applicable Law" means the laws and any other instruments having the force of law in the Islamic Republic of Pakistan as those may be issued and in force from time to time;
- (b) "Contract" means the Contract signed by the Parties, to which these General Conditions of Contract (GC) are attached, together with all the documents listed in Clause 1 of such signed Contract;
- (c) "Contract Price" means the price to be paid for the performance of the Services, in accordance with Clause 6;
- (d) "Effective Date" means the date on which this Contract comes into force and effect pursuant to Clause 2.1.
- (e) Employer/client means IBA or its authorized representative
- (f) "GC" means these General Conditions of Contract;
- (g) "Government" means the Government of the Islamic Republic of Pakistan
- (h) "Foreign currency" means the currency other than the currency of the Islamic Republic of Pakistan.
- (i) "local currency" means the currency of the Islamic Republic of Pakistan;
- (j) "Member", in case the Consultants consist of a joint venture of more than one entity, means any of these entities; and "Members" means all of these entities.
- (k) "Party" means the Client or the Project Manager, as the case may be, and "Parties" means both of them;
- (l) "Personnel" means persons hired by the Consultants or by any sub-Consultants as employees and assigned to the performance of the Services or any part thereof;
- (m) "SC" means the Special Conditions of Contract by which the GC are amended or supplemented;
- (n) "Services" means the work to be performed by the Consultants pursuant to this Contract, as described in Appendix A; and
- (o) "Sub-Consultants" means any entity to which the Consultants subcontract any part of the Services in accordance with the provisions of Clauses 3.6.
- (p) "Third Party" means any person or entity other than the Client, the Consultants or Sub-Consultants.

(q) "Project" means the work specified in SC for which engineering consultancy services desired.

## **1.2 Law Governing the Contract**

This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

## **1.3 Languages**

This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

All the reports & communications shall be in the English language.

## **1.4 Notices**

Any notice, request, or consent made pursuant to this Contract shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address of the authorized representatives specified under clause SC 1.6. A party may change its address for notice hereunder by giving the other party notice of such change.

## **1.5 Location**

The Services shall be performed at such locations as are specified in Appendix A and, where the location of a particular task is not so specified, at such locations, as mutually agreed by the parties

## **1.6 Authorized Representatives**

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the Client or the Consultants shall be taken or executed by the officials specified in the SC.

## **1.7 Taxes**

Unless specified in the SC, the Consultant shall pay such taxes, fees, and other impositions as may be levied under the Applicable Law.

## **1.8 Leader of Joint Venture**

In case the Consultants consist of a joint venture of more than one entity, the Consultants shall be jointly and severally bound to the Client for fulfillment of the terms of the Contract and designate the Member named in the SC to act as leader of the Joint Venture, for the purpose of receiving instructions from the Client.

## **1.9 Relation between the parties**

Nothing contained herein shall be construed as establishing a relation of master and servant or of principal and agent as between the client and the Consultant. The Consultant, subject to the contract, have complete charge of personnel and sub Consultant, if any, performing the

services and shall be fully responsible for the services performed by them or on their behalf hereunder.

## **1.10 Headings**

The headings shall not limit, alter or affect the meaning of this contract.

## **2. Commencement, Completion, Modification, and Termination of Contract**

### **2.1 Effectiveness of Contract**

This Contract shall come into force and effect on the date (“the effective date”) of the client’s notice to the Consultants instructing the Consultants to begin carrying out the services. This notice shall confirm that the effectiveness conditions, if any, listed in the SC have been met.

### **2.2 Termination of Contract for Failure to Become Effective**

If this Contract has not become effective within such time period after the date of the Contract signed by the Parties as shall be specified in the SC, either Party may, by not less than four (4) weeks’ written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party except for the work (if any) already done or costs already incurred by a Party at the request of the other Party.

### **2.3 Commencement of Services**

The Consultants shall begin carrying out the Services at the end of such time period after the effective date as shall be specified in the SC.

### **2.4 Expiry of Contract**

Unless terminated earlier pursuant to Clause 2.9, this Contract shall expire when pursuant to the provisions hereof, the services have been completed and the payments of remuneration including the direct costs if any have been made. The services shall be completed within a period as is specified in the SC are such extended time as may be allowed under clause 2.6.

The term “completion of services” is as specified in the SC.

### **2.5 Modification**

Modification of the terms and conditions of this Contract, including any modification of the scope of the Services or of the Contract Price, may only be made in writing, which shall be mutually agreed and signed by both the parties.

### **2.6 Extension of time for Completion**

If the scope or duration of the Services is increased:

the Consultants shall inform the Client of the circumstances and probable effects;

the increase shall be regarded as Additional Services; and

the Client shall extend the time for completion of the Services accordingly.

## **2.7 Force Majeure**

### **2.7.1 Definition**

For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party and which makes a Party's performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial actions (except where such strikes, lockouts or other industrial actions are within the power of the Party invoking Force Majeure to prevent), confiscation or any other action by government agencies.

Force Majeure shall not include

- (i) any event which is caused by the negligence or intentional action of a Party or such Party's sub-Consultants or agents or employees, nor
- (ii) any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract and
- (iii) avoid or overcome in the carrying out of its obligations hereunder.

Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

### **2.7.2 No Breach of Contract**

The failure of a Party to fulfill any of its obligations under the contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and has informed the other Party in writing not later than fifteen (15) days following the occurrence of such an event.

### **2.7.3 Extension of Time**

Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

### **2.7.4 Payments**

During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultants shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purpose of the Services and in reactivating the Services after the end of such period.

## **2.8 Suspension by the Client**

The Client may, by written notice of suspension to the Consultant , suspend all payments to the Consultants hereunder if the Consultants fail to perform any of their obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension

- (i) shall specify the nature of the failure, and
- (ii) shall request the Consultants to remedy such failure within a period not exceeding thirty (30) days after receipt by the Consultants of such notice of suspension.

## **2.9 Termination**

### **2.9.1 by the Client**

The Client may terminate this Contract, by not less than Fifteen (15) days' written notice of termination to the Client , to be given after the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause 2.9.2 and sixty (60) days' in the case of the event referred to in (e):

- (a) if the Client fails to pay any moneys due to the Consultants pursuant to this Contract and not subject to dispute pursuant to Clause 8 within Thirty (30) days after receiving written notice from the Consultants that such payment is overdue ; or
- (b) If the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within Thirty (30) days (or such longer period as the Consultants may have subsequently approved in writing following the receipt by the Client of the Project Manager' notice specifying such breach'
- (c) if the Consultants fail to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof;
- (d) if, as the result of Force Majeure, the Consultants are unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- (e) if the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.

### **2.9.2 by the Consultant**

The Consultant may terminate this Contract, by not less than Fifteen (15) days' written notice to the Client, such notice to be given after the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause 2.9.2:

if the Client fails to pay any moneys due to the Consultants pursuant to this Contract and not subject to dispute pursuant to Clause 8 within Thirty (30) days after receiving written notice from the Consultants that such payment is overdue; or

if the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within Thirty (30) days (or such longer period as the Consultants may have subsequently approved in writing) following the receipt by the Client of the Project Manager' notice specifying such breach;

if, as a result of Force Majeure, the Consultants are unable to perform a material portion of the Services for a period of not less than sixty (60) days.

Or

if the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.

### **2.9.3 Cessation of Services**

Upon receipt of notice of termination under Clause 2.9.1, or the giving of notice of termination under Clause 2.9.2, the Consultants shall take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Project Manager, and equipment and materials furnished by the Client, the Consultants shall proceed as provided, respectively, by Clauses GC 3.8 or 3.9.

### **2.9.4 Payment upon Termination**

Upon termination of this Contract pursuant to Clauses 2.9.1 or 2.9.2, the Client shall make the following payments to the Project Manager:

- (a) Remuneration and reimbursable direct costs expenditure pursuant to Clause 6 for Services satisfactorily performed prior to the effective date of termination. Effective date of termination for purposes of this Clause means the date when the prescribed notice period would expire;
- (b) except in the case of termination pursuant to paragraphs (a) through (d) of Clause 2.9.1, reimbursement of any reasonable cost incident to the prompt and orderly termination of the Contract, including the cost of the return travel of the Personnel, according to Consultants Traveling Allowance Rules.

### **2.9.5 Disputes about Events of Termination**

If either Party disputes whether an event specified in paragraphs (a) through (e) of Clause 2.9.1 or in Clause 2.9.2 hereof has occurred, such Party may, within forty-five (45) days after receipt of notice of termination from the other Party, refer the matter to arbitration pursuant to Clause GC 8 hereof, and this Contract shall not be terminated on account of such event except in accordance with the terms of any resulting arbitral award.

## **3. Obligations of the Consultants**

### **3.1 General**

#### **3.1.1 Standard of Performance**

The Consultants shall perform the Services and carry out their obligations with all due diligence, efficiency, and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe methods. The Consultants shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with Sub-Consultants or third parties.

#### **3.1.2 Law Governing Services**



The Consultants shall perform the Services in accordance with the Applicable Law and shall take all practicable steps to ensure that any Sub-Consultants, as well as the Personnel of the Consultants and any Sub- Consultants, comply with the Applicable Law.

### **3.2 Consultants Not to Benefit from Commissions, Discounts, etc.**

The remuneration of the Consultants pursuant to Clause 6 shall constitute the Project Manager' sole remuneration in connection with this Contract or the Services, and the Consultants shall not accept for their own benefit any trade commission, discount, or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations under the Contract, and the Consultants shall use their best efforts to ensure that the Personnel, any Sub-Consultants, and agents of either of them similarly shall not receive any such additional remuneration.

### **3.3 Confidentiality**

The Consultants , their Sub-Consultants, and the Personnel of either of them shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the assignment , the Services, this Contract, or the Client's business or operations without the prior written consent of the Client.

### **3.4 Liability of the Consultants**

The Consultants are liable for the consequence of errors and omissions on his part or on the part of his employees

The Consultants shall, at the request of the Client, indemnify the Client against any or all risks arising out of the furnishing of professional services by the Consultants to the Client.

### **3.5 Consultants' Actions Requiring Client's Prior Approval**

The Consultants shall obtain the Client's prior approval in writing before taking any of the following actions:

Appointing such Personnel as are listed in Appendix-C merely by title but not by name; entering into a subcontract for the performance of any part of the Services, it being understood (i) that the selection of Sub Consultants and the terms and conditions of the sub contract shall have been approved in writing by the Client prior to the execution of the subcontract, and (ii) that the Consultants shall remain fully liable for the performance of the Services by the Sub Consultants and its Personnel pursuant to this Contract; any other action that may be specified in the SC.

### **3.6 Reporting Obligations**

The Consultants shall submit to the Client the reports and documents specified in Appendix B in the form, in the numbers, and within the periods set forth in the said Appendix.

### **3.7 Documents Prepared by the Consultants to Be the Property of the Client**

All plans, drawings, specifications, reports, and other documents and software prepared by the Consultants in accordance with Clause 3.7 shall become and remain the property of the Client, and the Consultants shall, not later than upon termination or expiration of this Contract, deliver all such documents and software to the Client, together with a detailed inventory thereof. The Consultants may retain a copy of such documents and software. Restrictions about the future use of these documents, if any, shall be specified in the SC.

### **3.8 Equipment and Materials furnished by the Client**

Equipment and materials made available to the Consultants by the Client, or purchased by the Consultants with funds provided by the Client, shall be the property of the Client and shall be marked accordingly. Upon termination or expiration of this Contract, the Consultants shall make available to the Client an inventory of such equipment and materials and shall dispose of such equipment and materials in accordance with the Client's instructions or afford salvage value of the same. While in possession of such equipment and materials, the Consultant, unless otherwise instructed by the Client in writing, shall insure them at the expense of the Client in an amount equal to their full replacement value.

### **3.9 Accounting, Inspection and Auditing**

The Consultants (i) shall keep accurate and systematic accounts and records in respect of the Services hereunder, in accordance with internationally accepted accounting principles and in such form and detail as will clearly identify all relevant time charges, and cost, and the basis thereof, and (ii) shall permit the Client or its designated representatives periodically, and up to six months from the expiration or termination of this Contract, to inspect the same and make copies thereof as well as to have them audited by auditors appointed by the Client.

## **4. Consultants' Personnel**

### **4.1 General**

The Consultants shall employ and provide such qualified and experienced Personnel and Sub-Consultants as are required to carry out the Services.

### **4.2. Description of Personnel**

- (a) The title, activities of job description and estimated periods of engagement in the carrying out of the Services of each of the Consultants' Personnel are described in Appendix C
- (b) Adjustment with respect to the estimated periods of engagement of various salary grades of the Personnel set forth in Appendix C may be made by the Consultants in accordance with the actual requirements of the Contract to ensure efficient performance of the Services, provided that the aggregate of such adjustment shall not cause payments under this Contract to exceed the ceilings set forth in Clause 6.1(a) of this Contract

### **4.3 Approval of Personnel**

The Key Personnel and Sub-Consultants listed by title as well as by name in Appendix C are deemed to be approved by the Client. In respect of other Key Personnel, which the Consultants propose to use in carrying out of the Services, the Consultants shall submit to the Client for review and approval a copy of their biographical data. If the Client does not object in writing (stating the reasons for the objection) within fourteen (14) calendar days from the date

of receipt ;of such biographical data, such Key Personnel shall be deemed to have been approved by the Client.

#### **4.4 Removal and / or Replacement of Personnel**

- (a) Except as the Client may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Project Manager, it becomes necessary to replace any of the Key Personnel, the Consultants shall provide as a replacement a person of equivalent or better qualifications.
- (b) If the Client finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultants shall, at the Client's written request specifying the grounds there for, provide as a replacement a person with qualifications and experience acceptable to the Client.
- (c) Any of the Personnel provided as a replacement under Clauses (a) and (b) above, the rate of remuneration applicable to such person as well as any reimbursable expenditures (including expenditures due to the number of eligible dependents) the Consultants may wish to claim as a result of such replacement, shall be subject to the prior written approval by the Client. Except as the Client may otherwise agree, (i) the Consultants shall bear all additional travel and other costs arising out of or incidental to any removal and/or replacement, and (ii) the remuneration to be paid for any of the Personnel provided as a replacement shall not exceed the remuneration which would have been payable to the Personnel replaced.

#### **4.5 Contact Person**

The Consultants shall ensure that at all times during performance of the Services, an authorized person acceptable to the Client, shall be acting as the main contact person of the assignment.

### **5. Obligation of the Client**

#### **5.1 Assistance Coordination and approvals**

##### **5.1.1** The Client shall use its best efforts to ensure that the client shall:

Provide at no cost to the Consultants such documents prepared by the Client or other consulting engineers appointed by the Client as shall be necessary to enable the Consultants , Sub-Consultants or Personnel to perform the Services. The documents and time within which such documents shall be made available, are as specified in the SC.

Assist to obtain the existing data pertaining or relevant to the carrying out the Services, with various Government and other organizations. Such items unless paid for by the Consultants without reimbursement by the Client, shall be returned by the Consultants upon completion of the Services under this Contract.

Issue to officials, agents and representatives of the concerned organizations, all such instructions as may be necessary or appropriate for prompt and effective implementation of the Services.

Provide to the Consultants any such other assistance and exemptions as may be specified in the SC.

### **5.1.2 Co-ordination**

The Client shall:

Coordinate and get or expedite any necessary approval and clearances relating to the work from any Government or Semi-Government Agency, Department or Authority, and other concerned organization in the SC.

### **5.1.3**

The client shall accord approval of the documents with such time as specified in the SC, whenever these are applied for by the Consultants.

### **5.2 Access to the Project Site**

The Client warrants that the Consultants shall have, free of charge, unimpeded access to the Project Site land in case it is required for the performance of the Services.

### **5.3 Change in the Applicable Law**

If, after the date of this Contract, there is any change in the Applicable Law which increases or decreases the cost of the Services rendered by the Consultants, then the remuneration and direct costs otherwise payable to the Consultants under this Contract shall be increased or decreased accordingly, and corresponding adjustment shall be made to the amounts referred to in Cause 6.1 (a)

### **5.4 Services and Facilities**

The Client shall make available to the Consultants and the Personnel, for the purpose of the Services and free of any charge, the services, facilities and property described in Appendix F at the times and in the manner, provided that if such services, facilities and property shall not be made available to the Consultants as and when so specified, the Parties shall agree on; (i) any time extension that it may be appropriate to grant to the Consultants for the performance of the Services; (ii) the manner in which the Consultants shall procure any such services, facilities and property from other sources; and (iii) the additional payments, if any, to be made to the Consultants as a result thereof pursuant to Clause 6.1(b) hereinafter.

### **5.5 Payments**

In consideration of the Services performed by the Consultants under this Contract, the Client shall make to the Consultants such payments and in such manner as is provided by Clause 6 of this Contract.

## **6. Payments to the Consultants**

### **6.1 Mode of Payment ( see section 4)**

## **6.2 Remuneration and Reimbursable Direct Costs (Non-salary Costs)**

The client shall pay to the Consultants ; (i) remuneration as set forth in Clause 6.2(b); and (ii) reimbursable direct costs expenditure as set forth in Clause 6.1 reimbursable direct costs expenditure as set forth in financial proposal.

## **6.3 Currency of Payment**

Currency payment shall be made in Pakistani Rupees.

The SC shall specify which items of remuneration and reimbursable expenditures shall be paid in local currency.

## **6.5 Delayed Payments**

If the Client has delayed payments beyond the period of one month after the final date of due payment. Interest charges shall be paid to the Consultants for each day of delay at the rate specified in the SC.

## **6.6 Additional Services**

Additional Services means:

Services as approved by the Client outside the Scope of Services described in Appendix A;

Services to be performed during the period extended pursuant to Clause 2.6, beyond the original schedule time for completion of the Services; and

Any re-doing of any part of the Services as a result of Client's instructions.

If, in the opinion of the Client, it is necessary to perform Additional Services during the currency of the Contract for the purpose of the Project, the Consultant, with the prior written authorization of the Client, shall carry out such additional Services on the basis of the billing rates set out in the Contract.

In case for any reasons these rates and prices are determined by both the Parties to be not applicable for said additional services, then suitable billing rates and the additional time, shall be agreed upon between the Client and the Consultants.

## **7. Fairness and Good Faith**

### **Good Faith**

The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization to the objectives of this Contract.

## **8. Settlement of Disputes**

### **8.1 Amicable Settlement**

The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.

### **8.2 Dispute Settlement**

Any dispute between the Parties as to matters arising pursuant to this Contract which cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions of Arbitration Act 1940 and of the rules there under and any statutory modifications thereto.

Services under the Contract shall, if reasonably possible, continue during the arbitration proceedings and no payment due to or by the Client shall be withheld on account of such proceedings.

**SPECIAL CONDITIONS OF CONTRACT**

No Amendments of, and Supplements to ,Clauses in the General Conditions of Contract

**1.1 Definitions**

The following definitions are added to Clause 1.1.

“Project” means

Financial Closure and Scrutiny of Financial Claims of Contractor of Boys Hostel Block B & C and Electrical Infrastructure at IBA Main Campus Karachi

**1.2 Notices**

The addresses of the Client and the Consultants shall be as stated under Clause 1.6. herein below.

**1.3 Authorized Representatives**

The Authorized Representatives are the following:

**For the Client:**

Director Projects  
IBA  
Main Campus  
University Road  
Karachi.

Tel: 111-422-422 / Ext: 2500

Sr. Manager (Execution)  
Institute of Business Administration  
IBA Main Campus  
University Road  
Karachi.

Tel: 021-111-422-422/2518

**For the Consultants:**

\_\_\_\_\_ (Name of Project Manager)  
\_\_\_\_\_ (Project)  
\_\_\_\_\_ (Address)  
\_\_\_\_\_

Telephone : \_\_\_\_\_  
Facsimile : \_\_\_\_\_  
E. Mail : \_\_\_\_\_

**1.7 Taxes**

All taxes as per the regulations of Government of Pakistan and Government of Sindh which can be obtained from the concerned tax departments.

**1.8 Leader of Joint Venture**

The leader of the Joint Venture is . . . . . (name of the Member of the Joint Venture)

*[Note: If the Consultants do not consist of more than one entity, the Clause GC 1.8 should be deleted.]*

**2.1 Effectiveness of Contract**

The date on which this Contract shall come into effect is the date when the Contract is signed by both the Parties or any agreed date.

**2.2 Termination of Contract for Failure to Become Effective**

The time period shall be 90 days or such other period as the Parties may agree in writing.

**2.3 Commencement of Services**

The Consultants shall commence within (14) days after the date of signing of Contract Agreement, or such other time period as the Parties may agree in writing.

**2.4 Period of Completion of Services**

The period of Completion of Services shall be 90 days from the Commencement Date of the Services or such other period as the Parties may agree in writing.

“Completion of Services” means Completion of the duties mentioned in the RFP or as directed by the client.

**2.4.1 Scope of Services**

Scope of Services shall be as mentioned in the RFP

**3. Documents Prepared by the Consultants to be the Property of the Client.**

**4. Assistance**

The Client shall make available all the relevant documents available with the clients for the information of the Consultants within mutually agreed time.

Any type of assistance which client may think within its reach and beneficial to the Project Manager.

**5. Remuneration and Reimbursable Direct Costs (Non-Salary Costs) Expenditures**



No adjustments in Remuneration and Reimbursable costs shall be applicable during the execution of the contract.

**6.1 Currency of Payments**

Remuneration for foreign and local personnel both shall be paid in local currency only i.e., Pak Rupees.

**6.2. Mode of Billing and Payment**

Payments to the Consultants will be made in accordance with an agreed schedule, assuring the Consultants regular deposits in local currency as long as work proceeds and planned.

**6.2 Delayed Payments**

The Interest Charges on delayed payments shall be ten percent (10%) per annum.

## **SECTION 7**

The Consultant shall be required to sign the Integrity Pact, at the time of signing of the agreement, as per tender draft.

**INTEGRITY PACT**

**DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC,  
PAYABLE BY THE SUPPLIERS OF GOODS, SERVICES & WORKS  
IN THE CONTRACTS WORTH RS. 10.00 MILLION OR MORE**

Contract Number \_\_\_\_\_

Dated \_\_\_\_\_

Contract Value \_\_\_\_\_

Contract Title **FINANCIAL CLOSURE OF THE CONSTRUCTION CONTRACT OF  
THE BOYS HOSTEL PROJECT AND ELECTRICAL INFRASTRUCTURE AT IBA MAIN  
CAMPUS, UNIVERSITY ROAD, KARACHI**

Consultant hereby declares that it has not obtained or induced the procurement of any contract, right, interest, privilege or other obligations or benefit from Government of Pakistan (GOP) or any administrative sub division or agency thereof or any other entity owned or controlled by it (GOP) through any corrupt business practice.

Without limiting the generality of the foregoing, Consultant present and warrant that it has fully declared the brokerage, the mission, fee, etc. Paid or payable one and not given or agreed to give and shall not give or agreed to give to anyone within or outside Pakistan either directly or indirectly through any natural juridical person, including its affiliate, agent, agent, associate, broker, consultant, director, promoter, share holder, sponsor or subsidiary, any commissioned, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise with the object of obtaining or inducing the procurement of a contract, right, interest, privilege, or other obligations or benefits in whatsoever form from GOP, except that which has been expressly declared pursuant hereto.

Consultant certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with GOP and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

Consultant accept full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation & warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other right and remedies available to GOP under any law, contract or other instrument, be voidable at the option of GOP.

Notwithstanding any right and remedies exercised by GOP in this regard, Consultant agrees to indemnify GOP for any loss or damage incurred by it on account of its corrupt business parties and further pay compensation to GOP in amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given Consultant as aforesaid for the purpose of obtaining or including the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever from GOP.

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For, Institute of Business Administration

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For, Project Manager