



**Institute of
Business Administration
Karachi**

Leadership and Ideas for Tomorrow

Ref No : IBA- MC/BH/2017/08

Dated : April 9, 2018

M/S SHAMS ZAIN MEO RAJPUT CONSTRUCTION COMPANY

Office No 01 Saqib Centre, Block No7 Gulshan-e-Iqbal

Karachi

021-34986159 Email : shamshzainconst.co@gmail.com

Subject : **CONSTRUCTION OF BOYS HOSTEL BLOCK B& C AT IBA MAIN CAMPUS
KARACHI " (REMAINING WORKS) "**

LETTER OF AWARD (LOA)

Dear Sir,

This is with reference to your bid submitted and opened on 10th Nov 2017 by the procurement committee, on behalf of the IBA management, it is my pleasure to inform you that upon financial & technical Scrutiny, your bid is found to be lowest eligible bid at a cost of PKR 123.944 Million (Rs One Hundred twenty three & point Nine forty four Million only) for the said work. This letter of Award (LOA) comprises of :

1. Tender documents volume-1 (Conditions of Contracts)
2. Tender documents volume -2 (Bill of Quantity)
3. Tender documents Volume -3 specification for Civil, Electrical, HVAC,, Mechanical, ICT & security works.
4. Tender drawings volume -4

The work should be executed strictly as per specification and direction and instruction issues by the site execution staff.

The Terms & Conditions shall be as under :

1. **Contract Price:** PKR 123.944 Million (Rs One twenty three point Nine forty four Million).
2. **Time of Completion:** 12 (Twelve) Calendar Months from the date of issue of Letter of Award.



3. **Defects Liability Period:** 12(Twelve) Calendar Months from the Date of Issue of Substantial Completion of the Project.

4. **Liquidated Damages:** 0.2% per Month or 10 % of the Contract amount maximum.

5. Payment terms:

a) **Mobilization Advance:** 10 % of the Contract amount as ***Mobilization Advance*** subject to the submission of Valid Bank Guarantee from a Schedule Bank of Pakistan. This will recovered from each successive bill at the rate of 10 % till up to complete reimbursement of Mobilization advance.

b) **Secured Advance** Up to 70 % of the Material Cost of the item on imperishable materials only. The payment shall be made only upon the material brought at site. The safe custody shall be the Contractor's responsibility. The reimbursement shall be made from the next submitted bill.

c) **Retention Amount :** 5 % (Five) percent from each bill shall be deducted from each running bill and 50 % (Fifty percent) of the retention amount shall be released upon issuance of substantial completion along with final bill while the balance 50 % (Fifty percent) shall be released upon successful completion of Defects Liability Period.

d) In Rate Analysis for Variation item an overhead and Contractor's profit shall be allowed only 20 % of the actual cost of Material & Labor incurred and Govt. Taxes. i.e. Income Tax & SRB Shall be paid separately as per conditions of contract.

6. **Variation:** No variation or Extra Substitute items shall be executed without written approval of the Engineer In charge.

7. **Work Program:** Contractor is required to submit work Program & cash flow within seven days of issuance of Letter of Award (LOA) based on CPM / Bar Chart.



8. **Performance Guarantee:** Contractor is required to submit performance guarantee equivalent to 5% (Five Per cent) of the Contract amount in form of a Bank Guarantee from a schedule Bank of Pakistan.

All technical and contractual matters are as per tender terms & Conditions (General & Particular).

You are advised to please return the copy this letter of award duly signed with official stamp as acknowledgement of its receipt as well as un conditional acceptance of the same.

You are requested to sign the agreement on as per prescribed proforma given in contractor document on judicial paper equivalent to 0.35 % of the Contract amount as per SRB rules.

Thanking you

Your's Truly.

For Institute of Business Administration Karachi.


Engr. Muhammad Nasim ul Haq Malik

Received and accepted on behalf of

M/s SHAMS ZAIN MEO RAJPUT
CONSTRUCTION COMPANY

