

CONTRACT AGREEMENT

THIS CONTRACT is made at _____ on _____ day of 2018, between The MTI-Hayatabad Medical Complex, Peshawar, (hereinafter referred to as the "Purchaser") of the First Part; and M/s (*firm name*) a firm registered under the laws of Pakistan and having its registered office at (*address of the firm*) (hereinafter called the "Supplier") of the Second Part (hereinafter referred to individually as "Party" and collectively as the "Parties").

WHEREAS the Purchaser invited bids for procurement of goods (drugs/medicines), in pursuance whereof M/s (*firm name*) being the Manufacturer/Authorized Agent of (*item name*) in Pakistan and ancillary services offered to supply the required item (s); and Whereas, the Purchaser has accepted the bid by the Supplier;

NOW THE PARTIES TO THIS CONTRACT AGREE TO THE FOLLOWING;

1. **The Contract:** The following documents specified in the Standard Bidding Documents (SBD) 2018-19 for the Project "Treatment of Poor Cancer Patients" by Purchaser shall be deemed to form and be read and construed as integral part of this Contract, viz:-
 - a. General Conditions of Contract (**GCCs**)
 - b. Special Conditions of Contract (**SCCs**)
 - c. Schedule of Requirements.
 - i) Specifications & Rate Table
 - ii) Supply Schedule
 - d. Technical Specifications (Technical Evaluation Criteria).
 - e. Price Schedule submitted by the Bidder.
 - f. Purchaser's Notification of Award.
 - g. Purchase Order.
 - h. Performance security
2. **Interpretation:** In this Contract words and expressions shall have the same meanings as are respectively assigned to them in the General Conditions of this Contract hereinafter referred to as "Contract":
3. **Term of the Contract:** This contract shall remain valid for a period of twelve months from the date of signing, unless amended by mutual consent.
4. The Supplier declares as under:

[Name of the Supplier] hereby declares that it has not obtained or induced the procurement of any Contract, right, interest, privilege or other obligation or benefit from the Government of Khyber Pakhtunkhwa or any administrative subdivision or agency thereof or any other entity owned or controlled by it (Government of Khyber Pakhtunkhwa) through any corrupt business practice.

- i. Without limiting the generality of the foregoing, [the Seller/Supplier] represents and warrants that it has fully declared the brokerage, commission, fees etc, paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, with the object of obtaining or including the procurement of this Contract, right interest, privilege or other obligation or benefit in whatsoever form from Government of Khyber Pakhtunkhwa, except that which has been expressly declared pursuant hereto.
- ii. *[The Supplier]* certifies that it has made and shall make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with Government of Khyber Pakhtunkhwa and has not taken any action or shall not take any action to circumvent the above declaration, representation or warranty.
- iii. *[The Supplier]* accepts 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 and 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 Procuring Agency under any law, Contract or other instrument, be void ab initio at the option of Procuring Agency.
- iv. Notwithstanding any rights and remedies exercised by Procuring Agency in this regard, *[The Supplier]* agrees to indemnify Procuring Agency for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to Procuring Agency in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by *[The Supplier]* as aforesaid for the purpose of obtaining or inducing the procurement of any Contract, right, interest, privilege or other obligation or benefit in whatsoever form from Procuring Agency.
- v. In case of any dispute concerning the interpretation and/or application of this Contract shall be settled through arbitration, preferably with the Steering/Supervisory Committee of this Project/Arbitration Committee of MTI-HMC or under the Arbitration Act of 1940 (As amended from time to time).

5. Items to be Supplied & Agreed Unit Cost: (i) The Supplier shall provide to the Purchaser the items on the agreed cost more specifically described in the Price Schedule Submitted by the Bidder (Annex C).

(ii) Each Item supplied shall strictly conform to the Schedule of Requirements (Annex A) and to the Technical Specifications (Annex B) prescribed by the Purchaser against each item

(iii) The Unit Cost agreed in the Price Schedule (Annex C), is inclusive of all taxation, duties and costs associated with transportation and other agreed incidental costs.

- 6. Shelf life of products supplied:** Products must have long shelf-life/expiry (more than 12 months) or 85% in case of local manufacturers and 70% in case of importers but in any case not less than 12 months expiry. Final decision regarding shelf-life/expiry of products supplied shall be taken by the procuring entity/Focal Person. Decision regarding any relaxation in expiry date/shelf life shall be made by the procuring entity/Focal Person. The supplier is bound to replace near expiry drugs at its own cost and undertakes to replace near expiry drugs without any charges as and when indicated by the procuring entity, even after the expiry of this contract.
- 7. Payments:** The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services, as specified in the Special Conditions of contract in accordance with the Price Schedule submitted by the Supplier, the amount against the delivered items or such other sum as may become payable under the provisions of this Contract at the time and in the manner prescribed by this Contract (and after deduction of all applicable taxes and duties etc).
- 8. Mode of Payment:** All payments to the Supplier shall be made through Crossed Cheques issued in the name of [supplier's name]
- 9. Payment Schedule:** All payments to the Supplier shall be made in accordance with the SCC (& agreed Payment Schedule at Annex: E of Part-II: Section-III of the Standard Bidding Documents), upon satisfactory completion of delivery and fulfillment of documentary and Codal formalities highlighted in the Payment Schedule. Provision of all necessary documentation required, without any errors or omissions, on time, is the responsibility of the supplier.
- 10. Performance Guarantee/Security:** (i) The Supplier, within 10 days of signing of this contract or within 10 days of supply order, shall provide to the Purchaser a Performance Guarantee equivalent to 10% of the total Contract price or the prescribed Bank Guarantee on the prescribed format and in prescribed manner. This Performance Guarantee shall be released to the Supplier upon successful completion of the Contract. Alternately, the supplier may opt for deduction of 10% performance security/guarantee from the payment to be made to the supplier after delivery of goods/medicines at first order and shall remain valid for the rest of the contract period and all subsequent orders.
- ii) Supplier's Bid Security already submitted with the Bid shall only be released upon satisfactory submission of a Performance Guarantee in accordance with sub-clause (i) above.
- 11. Penalties/ Liquidated Damages.**
- i) Wherein the Supplier fails to make deliveries as per purchase order and within the stipulated time frame specified in the Schedule of Requirement, the Contract to the extent of delivered portion of supplies shall stand cancelled.
- ii) After the cancellation of the Contract no supplies shall be accepted and the amount of Performance Guaranty/Security to the extent of un-delivered portion of supplies shall be forfeited.

- iii) If the Supplier fails to supply the whole consignment and not able to deliver to any district, the entire amount of Performance Guarantee/Security shall be forfeited to the Government account and the firm shall be debarred minimum for two years for future participation.
- iv) The exact time frame for making supplies with and without penalty shall be indicated in subsequent purchase orders.
- v) In case of late delivery of goods beyond the periods specified in the Schedule of Requirements/Supply Schedule mentioned in SBD and subsequent purchase order, a penalty @ 0.07% per day of the cost of total amount of late delivered supply shall be imposed upon the Supplier. After 45 days the order shall stand cancelled and Performance Security shall be confiscated by HMC – see supply schedule in SBD for details). Final decision regarding extension or cancellation of contract shall rest with Focal Person of the Project.
- VI) The raw material source and grade, dosage be clearly shown as per technical criteria in SBD and accordingly the same be used in all supplies; if found changed anywhere in supply of the same product, the firm/supplier will be liable for black-listing for all its products and forfeiting all its call deposits and performance guarantees.
- VII) The rate offered for any product should be less than/equal to any where quoted in same financial year anywhere in Pakistan. If anywhere quoted less, the firm/supplier will be liable for black-listing for all its products and forfeiting all its call deposits and performance guarantee.
- VIII) The Health Department/HMC and the manufacturers / suppliers are bound to make sure the receipt of copy of Purchase Order to the Accounts Section, Hayatabad Medical Complex, Peshawar for consolidation of total supplies along with amount in PKR issued for preparation of annual procurement plan.
- IX) The batch no. raw material origin, and Laboratory Test result batch wise (if required by the Purchaser) shall be provided.

Those who do not fulfill the above criteria's are liable to be proceeded against and be black listed for future bidding.

- 12. Notices:** All notices and correspondences incidental to this contract shall be in English language and shall be addressed to:

For the Purchaser:

Focal Person - Hayatabad Medical Complex, Peshawar

Telephone(s) : +92-91- 9217140,
Fax Number : +92-91- 9217363
Email: : fp.pact.kp@gmail.com

For the Supplier:

IN WITNESS Whereof the Parties hereto have caused this Contract to be executed at _____ (the place) on _____ (date) and shall enter into force on the day, month and year first above-mentioned.

Signed/ Sealed: For the Purchaser

Signature: _____

Name: _____

Designation: _____

**Signed/ Sealed: For the Manufacturer/
Authorized Agent.**

Signature: _____

Name: _____

Designation: _____