

Commercial Contract

AGREEMENT FOR HIRING A CONSULTANT



Small and Medium Enterprises Development Authority

Ministry of Industries & Production

Government of Pakistan

www.smeda.org.pk

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1. INTRODUCTION OF SMEDA

The Small and Medium Enterprise Development Authority (SMEDA) was established with the objective to provide fresh impetus to the economy through the launch of an aggressive SME development strategy. Since its inception in October 1998, SMEDA had adopted a sectoral SME development approach. A few priority sectors were selected on the criterion of SME presence. In depth research was conducted and comprehensive development plans were formulated after identification of impediments and retardants. The all-encompassing sectoral development strategy involved overhauling of the regulatory environment by taking into consideration other important aspects including finance, marketing, technology and human resource development.

After successfully qualifying in the first phase of sector development SMEDA reorganized its operations in January 2001 with the task of SME development at a broader scale and enhanced outreach in terms of SMEDA's areas of operation. Currently, SMEDA along with sectoral focus offers a range of services to SMEs including over the counter support systems, exclusive business development facilities, training and development and information dissemination through a wide range of publications. SMEDA's activities can now be classified into the three following broad areas:

1. *Creating a Conducive Environment*; includes collaboration with policy makers to devise facilitating mechanisms for SMEs by removing regulatory impediments across numerous policy areas
2. *Cluster/Sector Development*; comprises formulation and implementation of projects for SME clusters/sectors in collaboration with industry/trade associations and chambers
3. *Enhancing Access to Business Development Services*; development and provision of services to meet the business management, strategic and operational requirements of SMEs.

SMEDA has so far successfully formulated strategies for sectors, including fruits and vegetables, marble and granite, gems and jewellery, marine fisheries, leather and footwear, textiles, surgical instruments, transport and dairy. Whereas the task of SME development at a broader scale still requires more coverage and enhanced reach in terms of SMEDA's areas of operation.

Along with the sectoral focus a broad spectrum of services are now being offered to the SMEs by SMEDA, which are driven by factors like enhanced interaction amongst the stakeholders, need based sectoral research, over the counter support systems, exclusive business development facilities, training and development for SMEs and information dissemination through wide range of publications.

2. ROLE OF SMEDA LEGAL SERVICES CELL

The Legal Services Cell (LSC) is a part of Business Development Division of SMEDA and plays a key role in providing an overall facilitation and support to SMEs. The LSC provides guidance based on field realities pertaining to SMEs in Pakistan and other parts of the world. LSC believes that information dissemination among the SMEs on the existing regulatory environment is of paramount importance and it can play a pivotal role in their sustainable development.

In order to facilitate SMEs at the Micro Level LSC has developed user-friendly systems, which provide them detail description of the Laws, and Regulations including the process and steps required for compliance.

The purpose of this document is to provide SMEs, Service Providers, Companies and Firms with information pertaining to requisite format and content of a business to business commercial contract. Entrepreneurs interested in enhancing their understanding about the nature and form of Agreement for hiring a consultant can also use the document.

3. DISCLAIMER

Form of this document and the contents therein are provided only for general information purpose and on an "as is" basis without any warranties of any kind. Use of this document is at the user's sole risk. SMEDA assumes no responsibility for the accuracy or completeness of this document, its form and any of the information provided therein and shall not be liable for any damages arising from its uses.

CONSULTANCY AGREEMENT

This agreement is made this ____ day of _____, 2007.

BETWEEN

ABC (Pvt.) Limited through its Chief Executive Officer having office at _____, Lahore (herein after the “CLIENT”) which expression shall mean and include its successor in interest and assigns of the first part.

AND

Mr. / M/S. _____ (name of the individual or company) having office at _____, Lahore, herein the “consultant” which expression shall mean and include its successors in interest and assigns of the second part.

WHEREAS the CLIENT intends to hire the services of the consultant for _____ (give name of the assignment / project) (The assignment), subject to the terms and conditions contained herein.

AND WHEREAS the consultant has shown his willingness to render his / its services for the assignment subject to the terms and conditions contained herein.

NOW THEREFORE in consideration of mutually agreed terms and conditions, covenants and promises inter se the parties hereinafter set forth, this agreement witnesses as follows:

1. Assignment Task

The preparation of (explain the assignment such as preparation of layout and architechural design or a feasibility study etc.) listed in schedule-1 hereto shall be the Assignment Task for the purposes of this agreement. The consultant hereby agrees to perform the Assignment Task subject to the terms and conditions contained herein.

2. Time Duration

The agreement and the Assignment Task there under shall be performed and executed in terms of and within the time duration as specified in schedule-II hereto. The consultant undertakes to strictly adhere to and complete the Assignment Task within the prescribed time as specified in said schedule.

3. Provision of Information / Documents by the CLIENT

Subject to the provisions contained in Schedule-II hereto, the CLIENT shall provide, to the consultant, such information and documents as may be required by the consultant from time to time. The consultant shall give acknowledgment receipt thereof in writing to the CLIENT.

4. Submission / Approval of Deliverables

Before final submission of the assignment, the consultant shall submit to the CLIENT a draft copy of the assignment in one hard bounded copy either in person or through his agent. The CLIENT shall only accept the assignment after the same has been approved by it, after complete satisfaction thereof in terms of the criteria given in the Terms of reference for such translation.

5. Cost of the Assignment Task

The cost of the Assignment task to be paid by the CLIENT to the consultant shall be Rs. _____ (give amount). No claim of the cost, by the consultant or any of his agent other than as agreed herein shall be paid to and or demanded by the consultant.

6. Payment Methodology

The CLIENT shall make such payment to the consultant through crossed cheque / demand draft and in accordance with the schedule-2 hereto,. No payment however, shall be made to the consultant by the CLIENT unless the consultant issues an invoice of the work completed by him supported by a certificate of the satisfactory completion of job issued by the CLIENT. The consultant may however, claim payment of the work on completion of the entire Assignment work.

7. Taxation

The payment to be made by the CLIENT to the consultant under this agreement shall be subject to the deduction of taxes and other charges as may be required under any law for the time being in force.

8. Covenants by the CLIENT

The CLIENT hereby undertakes and covenants to:

- I. Arrange and provide for all kinds of necessary support, whenever and wherever needed, to the consultant in satisfactorily getting the Assigned Task completed including but limited to the provision of the information / documents required by the consultant, on time payment of costs of the consultant upon completion of job, in time review of the assignment and delivery thereof to the consultant for its finalization.

9. Covenants by the Consultant

The consultant hereby undertakes and covenants:

- i. To complete the Assignment within time with honesty, dedication, commitment and hard work;
- ii. To follow and fulfill the terms and conditions laid down herein;
- iii. Not to sublet the assignment to any other person;
- iv. Not to defraud, malign and or otherwise let down either directly or indirectly the CLIENT or any of its employees.
- v. Not to refuse any amendment or modification in the assignment task suggested by the CLIENT.

10. Copyrights in the translated content

All the prepared content, design and or work done by the consultant under this agreement shall remain the property of the CLIENT and the consultant shall have no right whatsoever thereto.

11. Termination of the Agreement

The agreement shall stand terminated inter alia on the following grounds:

- a. Upon given of seven days notice in writing by either party showing its intention to terminate the agreement subject to adjustment of rights and obligations arising there under till such time; or
- b. Upon failure of party of the second part at any time to perform its job satisfactorily, within time and or intentional or deliberate breach of any of the conditions or covenants under this agreement and upon failure to rectify such breach within seven days of the notice by the first party to rectify such breach.

Provided that termination of the agreement under this sub-clause, by the CLIENT shall be without prejudice to any monies paid and or due to the CLIENT.

12. Service of Notices / Communications

All notices / Communications under and in relation to this agreement shall be made in writing and delivered through post, e-mail or by hand at the respective addresses of the parties mentioned herein. Provided that failure to receive any notice by any party herein shall not invalidate any of the act of the parties permitted and or otherwise made by them in terms of the provisions of this agreement.

13. Indemnity

The consultant hereby unconditionally and expressly undertakes to indemnify the CLIENT against any loss, damage and or injury caused directly or indirectly by any

act or omission of the consultant relating to this agreement and arising either during or after the currency of this agreement.

14. Interpretation

This agreement and each and every clause thereof shall have force jointly and severally, and no clause thereof shall be read in isolation to others. In the event of any ambiguity and or conflict as to the meaning of the provisions of this agreement, the entire agreement shall be read as a whole so as to ascertain and give effect to the true intent and purpose thereof.

15. Dispute Resolution

Where any dispute arises inter se the parties hereto as to the interpretation of the provisions of this agreement or any other matter arising there under, the parties shall initially try to resolve the same amicably through bilateral negotiations. In the event of failure of the parties to resolve the dispute amicably, the same shall be resolved through arbitration by the CEO of the CLIENT whose decision shall be final and binding on the parties.

16. Applicable Law

This agreement and all the rights and obligations of the parties hereto arising there under shall be governed by the laws applicable for the time being in Pakistan.

IN WITNESS WHEREOF the parties hereto have put their signatures to the terms and conditions set forth herein on the date and year mentioned herein above.

For the CLIENT

CEO

For the Consultant

Consultant

Witnesses:

1. _____

2. _____

SCHEDULE- I
ASSIGNMENT TASK
(See Clause-1)

Translation of following the documents into Urdu Language on per page basis:

Schedule-II
Time Duration for completion of the Assignment
(See Clause-2)

The consultant shall complete the Assignment Task within the following time period:

Total Assignment Completion time: _____ months (March 5th 2007 till _____)

Monthly / Weekly basis work plan for Completion of Assignment Task:

The consultant shall submit the completed Assignment Task on the basis of number of pages provided by the CLIENT every month preferably in terms of following work plan:

Month 01: _____ documents---03 The documents per week

Month 02: _____ documents---03 The documents per week

Month 03: _____ documents---03 The documents per week