TransKarachi
Operator of the Karachi Breeze System

PROJECT: 47279-002, KARACHI BUS RAPID TRANSIT RED LINE PROJECT

Government of Sindh

REQUEST FOR QUOTATIONS

For

HIRING THE FIRM FOR OUTSOURCING THE INTERNAL AUDIT FUNCTION OF TRANSKARACHI

Ref No: KBRT-Serv/IAF/2026-27/02

August - 2026

TransKarachi Operator of the Karachi Breeze System

REQUEST FOR QUOTATION - SERVICES (RFQ)

Project Title:	Karachi Bus Rapid Transit Redline Project
Source of Funding:	Asian Development Bank (ADB)
Title of Procurement:	Hiring the services of firm for outsourcing the Internal Audit function of TransKarachi
Ref Number	KBRT-Serv/IAF/2026-27/02 Date of Issue: Aug 21, 2026
To:	Concern

Sir/Madam:

1. The TransKarachi (Client) hereby requests you to submit price quotation/(s) along with required documentation as listed in section: 4(a) for the performance of the services described in the **Terms of Reference (TORs) / Scope of Services** attached as **Appendix-A** with this RFQ document for the period of **18 Months** which is extendable subject to satisfactory performance of the internal audit services. If you, however, have been associated with the preparation of this Scope of Services that is the subject of this request, you shall be disqualified.

   To assist you in the preparation of your proposal & price, we are enclosing herewith the **Terms of Reference (TORs) / Scope of Services, Draft Form of Quotation,** and **Draft Contract Agreement (Appendix B)** along with Contract Terms & Conditions.

2. If you/your firm, however, falls under any of the following conditions, your proposal shall not be considered:

   a) you/your firm are/is not a citizen/national of an ADB member country, or
   b) you/your firm have/has been associated with the firm that prepared the terms of reference or engaged in the preparation of the Project for which the contract that is subject of this request for quotations was identified, or
   c) you/your firm are/is owned by the Client, or
   d) you/your firm are/is currently sanctioned or temporarily suspended by the Asian Development Bank for a violation of its Anticorruption Policy (1998, as amended to date) or
   e) the contracting of services from your country or any payment to persons or entities in your country is prohibited in compliance with a decision of the United Nations Security Council under Chapter VII of the Charter of the United Nations.

3. To be qualified, the firm must be registered and have an NTN and SRB. As evidence, the internal audit firm must attach documentation of your experience as an internal audit service provider in at least three (03) similar engagements during the last 5 years in Pakistan, with a size and nature similar to the requirements of the scope of work. Experience of working on donor funded projects shall be accorded due weightage. Additionally, the firm must have a qualified and adequate staff consistent with the tasks delineated in the Terms of Reference (ToRs) and a well-equipped office in Karachi.

4. A representative of the Internal Audit Firm will be stationed at the TransKarachi office throughout the engagement to carry out the internal audit of TransKarachi.

5. Your quotation/(s) should be submitted in accordance with the following instructions, procedures, and the terms and conditions of the **Contract.**

6. **Preparation of Quotations**

   (a) The price quotation(s) shall cover all internal audit services as described in the TORs/Scope of Services attached as Appendix-A. The contract will be awarded to the firm that fulfills the evaluation criteria and offers the best price-quality offer for all services, at the sole discretion of the Client.

   (b) The quotation should comprise the following documents: (duly signed & stamped):

   1. **Form of Quotation** [to be furnished on company's original Letterhead & signed by authorized representative]

TransKarachi
Operator of the Karachi Breeze System

2. **Priced Quotation** (inclusive of all applicable taxes) [signed/stamped by authorized representative]
3. **TORs/Scope of Services** (Appendix-A)
4. **Checklist** [to be signed/stamped by authorized representative]

(c) The Currency of quoted price and payment shall be Pakistani Rupees.

(d) The rates/prices quoted shall include all the applicable Taxes, duties, and other levies as per FBR and SRB Rules & in accordance with Government of Sindh and Government of Pakistan.

(e) The internal audit firm shall submit only one set of quotations for the above services. Your quotation must be typed or written in indelible ink and shall be signed by you or your authorized representative. Without a signature in your **Form of Quotation**, your quotation will not be considered further.

(f) The proposal/quotation should be valid for a period of **30 days** from deadline for submission of the quotation as indicated below. If you withdraw your quotation during the validity period and/or refuse to accept the award of a contract when and if awarded, then you will be excluded from the list of eligible contractors for the project for 02 years.

(g) TransKarachi (Client) may request the participating Firms/Companies during the evaluation process to extend the Validity Period of their Bids/Proposals for a specified period [equal to or below the existing validity period referred above under Section: 4(f)] if the evaluation/award process delayed for whatever reason.

7. Submission of Quotations:

(a) The Complete Set of your Quotation/Proposal comprising of all the required documents as listed above under section 4 (b) should be submitted (Hard Copy) on or before **September 1, 2026 till 12:00 Noon** that should be signed, sealed in an envelope clearly mentioning the **"Quotation for Outsourcing the Internal Audit function of TransKarachi"**, and delivered to the following address. Incomplete or late proposal will not be entertained.

Client's Address: **Manager Procurement & Contracts,**
TransKarachi, C-89, near Bilal Masjid, Block 2, Clifton, Karachi, Pakistan
Telephone: 021-35300240-43, 021-99332440, 021-99332478
E-Mail: procurement@transkarachi.pk

Note: The submission of Quotation/s in soft copy through email is not allowed.

8. Evaluation and Comparison of submitted Quotations:

(a) Quotations determined to be substantially responsive to the **Request for Quotation** will be evaluated by weighted evaluation criteria. A quotation is not substantially responsive if it contains deviations or reservations to the terms, conditions, and specifications in this **Request for Quotation**.

(b) In evaluating the quotations, the Employer shall adjust for any arithmetical errors as follows:

i. where there is a discrepancy between amounts in figures and in words, the amount in words will govern,

ii. where there is a discrepancy between the unit rate (where applicable) and the line-item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern.

iii. If you refuse to accept the correction, your quotation will be rejected.

9. Award of Contract:

(a) The client shall issue the formal Notification of award of contract to the successful Service Provider within the validity period for the provision of required services as per issued TORs whose quotation has been determined to be substantially responsive to this *Request for Quotation* and who has full filled the evaluation criteria and offered the best price quality offer quotation. The Service Provider within **07 days** receipt of notification of award of contract may return the copy with Acceptance, signed by the authorized representative of the Employer.

TransKarachi
Operator of the
Karachi Breeze System

(b) The successful service provider shall sign the Contract Agreement (*to be furnished on Stamp Paper as per attached draft Contract with paid Stamp Duty equivalent to 0.35% of accepted Contract Price)* governed by the annexed Contract Terms and Conditions and Appendix-A: TORs/Scope of Services The overall Contract Price shall include all the applicable taxes of Government of Sindh and Government of Pakistan.

10. Failure and Terminations:

a) If the service provider fails to perform the related services / provision of required reports within the period specified in the RFQ, the Employer may without prejudice to all its other remedies under the award of contract.

b) Deduct from the total contract price amount, as Liquidated Damages levied at 0.5% per week or part thereof (to be calculated on per day basis) the total contract price amount subject to maximum of 10% of the contract price amount.

c) Further information can be obtained from:

Name: **Manage Procurement & Contracts,**
Address: TransKarachi, C-89, near Bilal Masjid, Block 2, Clifton, Karachi, Sindh.
Telephone: +92-21-35300240-43
E-mail: procurement@transkarachi.pk

The Client intends to apply funds from the Asian Development Bank (ADB) for eligible payments under the Contract resulting from this Request for Quotation.

11. Under **ADB's Anticorruption Policy** (1998, as amended to date) Service Providers shall observe the highest standard of ethics during the procurement and execution of such contracts. ADB may reject a proposal for award, and may impose sanctions or other remedial actions on parties involved, if it determines that the Service Provider recommended for award or any other party, directly or through an agent, has engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations in competing for, or in executing, the Contract. At the time of submission of your quotation, you should not be in ADB's sanctions list. A firm/individual shall not be eligible to participate in any procurement activities under an ADB-financed, -administered, or - supported project while under temporary suspension or debarment by ADB pursuant to its Anticorruption Policy, whether such debarment was directly imposed by ADB, or enforced by ADB pursuant to the Agreement for Mutual Enforcement of Debarment Decisions.

12. You/your firm, joint venture partners, associates, parent company, affiliates or subsidiaries, including any subcontractors or suppliers for any part of the Contract, are not, or have never been, temporarily suspended, debarred, declared ineligible, or blacklisted by the client's country, any international organization, and other donor agency.

If so debarred, declared ineligible, temporarily suspended, or blacklisted, please state details (as applicable to each joint venture partner, associate, parent company, affiliate, subsidiaries, subcontractors, and/or suppliers):[1]

(a) Name of Institution: ______________
(b) Period of debarment, ineligibility, or blacklisting (start and end date): ____________
(c) Reason for the debarment, ineligibility, or blacklisting: _______________________

13. You/your firm's, joint venture partners', associates', parent company's affiliates' or subsidiaries', including any subcontractors' or suppliers', key officers and directors have not been [charged or convicted] of any criminal offense (including felonies and misdemeanors) or infractions/violations of ordinance which carry the penalty of imprisonment.

14. If so charged or convicted, please state details:[2]

(a) Nature of the offense/violation: _______________
(b) Court/Area of jurisdiction: _______________
(c) Resolution (i.e. dismissed; settled; convicted/duration of penalty): ________________
(d) Other relevant details:

15. You/your firm understands that it is your obligation to notify ADB should you/your firm, joint venture partners, associates, parent company, affiliates or subsidiaries, including any Subcontractors or Suppliers, be

TransKarachi Operator of the Karachi Breeze System

temporarily suspended, debarred or become ineligible to work with ADB or any other multilateral development banks, the client's country, international organizations, and other donor agencies, or any of your key officers and directors be charged or convicted of any criminal offense or infractions/violations of ordinance which carry the penalty of imprisonment.

16. Any misrepresentation that knowingly or recklessly misleads, or attempts to mislead may lead to the automatic rejection of the quotation/bid or cancellation of the contract, if awarded, and may result in remedial actions, in accordance with ADB's Anticorruption Policy (1998, as amended to date) and Integrity Principles and Guidelines (2015 as amended from time to time).

17. A bidder shall not have a conflict of interest. All bidders found to have a conflict of interest shall be disqualified.

18. Please confirm by fax/e-mail the receipt of this request and whether or not you will submit the price quotation(s).

Sincerely,
Manager, Procurement & Contracts
TransKarachi

TransKarachi
Operator of the
Karachi Breeze System

DRAFT

[This Form of Quotation must be furnished & submitted on Supplier's original Letter Head]

FORM OF QUOTATION
(Services)

[date]

To:

The TransKarachi
C-89, Block 2, Near Bilal Masjid, Clifton, Karachi, Sindh-Pakistan
Telephone: +92-21-35300240-43. E-mail: procurement@transkarachi.pk

We offer to provide our Services for ***Outsourcing the Internal Audit function of TransKarachi***, *Contract Ref:* ***KBRT-Serv/IAF/2026-27/02*** in accordance with the **Contract Terms and Conditions** and **TORs/Scope of Services** attached as ***Appendix-A*** with this Form of Quotation for the overall Contract Price (inclusive of all taxes) not to exceed PKR ________________ *[amount in numbers]* ______________________________ *[amount in words]* in accordance with the **Payment Schedule** annexed to this **Form of Quotation**.

We propose to complete the performance of all the services described under the **Contract** within the Completion Period indicated in the **Conditions of Contract**.

This Quotation and your written acceptance will constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

We hereby confirm that this Quotation complies with the Validity of the Offer condition imposed by the **Request for Quotation** document.

We: (a) are a national of an ADB member country; (b) have not been associated with the firm that prepared the terms of reference or engaged in the preparation of the Project for which the contract that is subject of this request for quotations was identified; (c) are not owned by the Client; (d) are not currently sanctioned or temporarily suspended by the Asian Development Bank; and (e) to the best of our knowledge, is not prohibited from being contracted in compliance with a decision of the United Nations Security Council.

Name of Internal Audit Service Provider: ________________________________
Authorized Signature: ________________________________
Name of Signatory: ________________________________
Title of Signatory: ________________________________
Address: ________________________________
Telephone Number: ________________________________
Fax Number, if any: ________________________________
Email address (optional): ________________________________

ACCEPTANCE

The Client accepts the Service Provider's offer to provide the service.

Name of Client : TransKarachi
Authorized Signature: ________________________________
Name of Signatory: ________________________________
Title of Signatory: ________________________________
Date: ________________________________

TransKarachi
Operator of the
Karachi Breeze System

PRICE SCHEDULE

S. No	Description	Unit	Quantity	Rate	Total Amount PKR (inclusive of Income Tax)
01	Inception Report, which will include an internal audit plan (10 % of total contract price)	Lump sum	01		
02	Quarterly Audit Report 2026-2027	No.	06		
	Total Amount inclusive of Income Tax and exclusive of SRB				
	Sindh Sales Tax (SRB)				
	Total Amount PKR (Inclusive of Income Tax & SST)				

Note:

- Payment will be made within 30 days after the acceptance of the report.

TransKarachi
Operator of the
Karachi Breeze System

CHECK LIST

(DOCUMENTS TO BE ATTACHED AND AGREED WITH PROPSAL)

S. No	Documents Requirement	Status (Yes/No)
01	**National Tax Number Certificate** (NTN)	
02	**Sindh Revenue Board Certificate** (SRB)	
03	**Firm Profile**	
04	• Evidence of carrying out minimum 3 similar engagements during last 5 years in Pakistan. • Profiles/details of professionals aligned with the Tasks and scope of work outlined in the ToRs	
05	**Conformity with TORs.**	
06	**Bid Validity:** Thiry (30) days from the date of the bid deadline	
07	**Payment Condition:** Payment will be made within 30 days after the acceptance of the report	

TransKarachi Operator of the Karachi Breeze System

TORs / Scope of Services

BACKGROUND:

TransKarachi "the Company" was incorporated on October 11,2018 as a company limited by guarantee under section 42 of the Companies Act 2017. The Primary objective is to carry out the project implementation, management and maintenance of Karachi Bus Rapid Transit Red Line Project assigned by Sindh Mass Transit Authority (SMTA) for the benefit of public at large. The project is financed by Asian Development Bank with other cofinances and Government of Sindh.

The project aims to organize urban growth and public space along the corridor through integration of land-use and transport planning, improving quality of life, and providing a holistic solution for integrated urban mobility.

TransKarachi is looking to improve and strengthen its internal control environment and is looking to hire a firm to conduct internal audits. The firm will be responsible for the internal audit function of the organization.

OBJECTIVES:

To mitigate the fiduciary risks associated with the TransKarachi activities and to strengthen the internal control processes, TransKarachi requires the services of a Chartered Accountant Firm ("the firm") to conduct periodic Internal Audit of Karachi BRT Red Line Project activities, systems and transactions.

The "independence" of Internal Auditor means that its activities are conducted in a manner free from conditions that compromise its ability to carry out its responsibilities is an unbiased manner.

SCOPE OF SERVICES

1. PURPOSE AND DEFINITION OF INTERNAL AUDIT

The Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. Internal Audit helps an organization accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The purpose of hiring the Internal Auditor is to help TransKarachi to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. The Internal Auditor firm shall:

- provide assurance that financial and operational risks are understood and appropriately managed;
- promote the establishment of best practices;
- identify opportunities for pragmatic efficiency and effectiveness improvements, primarily in internal controls and risk analysis;
- advise on matters regarding internal controls and risk management;
- evaluate risk management procedures and internal controls;
- provide comprehensive process assurance services.

2. PROFESSIONAL STANDARDS

The Internal Auditor shall carry out its responsibilities in accordance with professional standards including those issued by Institute of Internal Auditors and International Federation of Accountants. Following the Code of Ethics issued by the Institute of Internal Auditors, the Internal Auditor carrying out the assignment is expected to maintain the highest standards of:

Integrity:

The integrity of the Internal Auditor establishes trust and thus provides the basis for reliance on its judgment.

TransKarachi
Operator of the
Karachi Breeze System

Objectivity:

The Internal Auditor exhibits the highest level of professional objectivity in gathering, evaluating and communicating information about the activity or process being examined. Makes a balanced assessment of all the relevant circumstances and is not unduly influenced by its own interests or by others in forming judgments.

Confidentiality:

The Internal Auditor respects the value, and the ownership of information received and do not Disclose information without appropriate authority unless there is a legal or professional obligation to do so.

Competency:

The Internal Auditor applies the knowledge, skills and experience needed in the performance of the assignment.

3. AUTHORITY AND INDEPENDENCE

The Internal Auditor will have full, free and unrestricted access to TransKarachi's records, physical properties, personnel and other entities relevant to an area under review. The Internal Auditor will have no responsibility for or authority over any of the activities or operations subject to its review.

The Internal Auditor shall not perform any operational duties, develop and install systems and procedures, initiate or approve accounting transactions, prepare records, or engage in any other activity which it would normally review and appraise and which could reasonably be construed to compromise in appearance or fact, the independence and/or objectivity of the Internal Auditor.

4. SCOPE OF WORK AND RESPONSIBILITIES

The Internal Auditor shall provide the internal audit services to the TransKarachi. Internal Audit of TransKarachi will be carried out as per BAC approved internal audit plan agreed between the TransKarachi and the Internal audit firm.

The following is the scope of work, duties and responsibilities of the internal audit Firm. These include but are not limited to:

- The firm is required to develop, in consultation with higher management, a strategic risk based Internal Audit Plan for all the audits of period covering July 2026 to June 2027 (One year) which is extendable subject to satisfactory performance of the internal audit services, on assessment of key risk factors facing about its current operations, specifications and requirements for future audits and schedule of audits to be conducted at the organization.
- Executing the Internal Audit plan, by carryout quarterly internal audits covering the period July 2026 to June 2027.
- The firm is required to conduct internal audits for randomly selected functions of the organization, as and when required.
- The firm is required to have a clear understanding of Government accounting policies and procedures and audit requirements.
- The firm is to provide a quarterly audit report to Board Audit Committee with their findings on financial information provided to management and assess any risks arising from the operations of the current system. The firm will also provide recommendations in cases where the reliability, relevance or timeliness of information provided to management is at risk.
- Conduct a thorough review of reports submitted by the external auditor.
- Monitor compliance with the recommendations provided by the auditors.
- Recruit professional audit staff possessing adequate knowledge, skills, experience, and relevant professional certifications.
- Ensure that the audit team is well-equipped to conduct comprehensive audits of the project.
- The firms is required to conduct physical verification of company's fixed assets and work in progress amount on half-yearly basis.
- The firm is required to review tax compliances of the organization as per law and provide advice on any change and query relevant to the organization.
- The firm is to evaluate and review internal controls and policies with a focus on identifying gaps that might

TransKarachi Operator of Karachi Breeze System result in any sort of irregularities or malpractices. The firm will be expected to provide recommendations and/or mitigating measures to such gaps.

- The firm is required to prepare replies/responses of Audit observations/notices issued by any Government department i.e., DG Audit in coordination with TransKarachi staff.
- The firm may be asked to perform other relevant tasks as and when required by management.

5. QUALITY ASSURANCE

The Internal Auditor shall develop and maintain a quality assurance and improvement program that covers all aspects of Internal Audit activity related to the project. This should enable the evaluation of the conformance of Internal Auditor activities with the Institute of Internal Auditors International Professional Practices Framework (IPPF) and Code of Ethics.

6. DURATION AND TIMING

The Internal Audit Firm shall be engaged for a one year duration from July 2026 to June 2027 which is extendable subject to satisfactory performance of the internal audit services. Quarterly audits shall be carried out by the audit firm during this period.

A representative of the Internal Audit Firm will be stationed at the TransKarachi office throughout the engagement to carry out the internal audit of TransKarachi.

7. DELIVERABLES / REPORTING

Reporting Arrangements.

For administrative and contractual matters, the Internal Auditor shall liaise with CEO TransKarachi. Envisaged reporting arrangements for internal auditor are summarized below:

DELIVERABLES

Deliverable	*Frequency*	*Recipient*	*Timeline*	*Payment*
Inception Report, which will include internal audit plan.	One Time	TransKarachi	Within 30 days of awarding contract	10% of the total fee
Maiden Internal Audit Report of the Project Subsequent Reports Internal Audit reports.	Quarterly	TransKarachi	• Jan to March 2026 – Within 30 days of the close of Period • April to June 2026 – Within 30 days of the close of Period • July to September 2026 – Within 30 days of the close of Period • October to December 2026 – Within 30 days of the close of period. • Jan to March 2027 – Within 30 days of the close of Period • April to June 2027 – Within 30 days of the close of period.	Price of One Report

The Internal Auditor shall provide an electronic copy and three (3) hardcopies of each deliverable to the respective recipient.

8. SELECTION CRITERIA

Eligibility and documents required:

(a) The firms should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. Interested firms will be expected to demonstrate or provide explicit information / evidence of their qualification to perform this assignment, in their profiles, in the areas covered by the project as indicated above. Firms should have a specific and proven competence and experience in Audit of large projects of

TransKarachi Operator of the Karachi Breeze System

similar nature. Interested consulting firms and consortia must provide information indicating that they are qualified to perform above services (e.g. brochures, description of similar assignments, value of similar assignments); experience under similar conditions, availability of appropriate skill among staff etc. Consultants may associate to enhance their qualifications. Consultants are encouraged to provide only materials that would be specific to the proposed services, and to avoid submitting generic promotional material.

(b) A chartered accountancy firm registered for last ten years. With a specific and proven competence and experience in conducting Internal Audit of large Projects of internal systems/processes assurance, pre-award assessments and control evaluations for past ten years- Firm shall have a Satisfactory rating under the Quality Control Review program managed by the Institute of Chartered Accountants of Pakistan and having its name in the State Bank of Pakistan's Panel of Auditors under not less than Category 'A'.

- Following would be the weighted evaluation criteria:

Description	Marks
Experience of carrying out minimum 3 similar engagements during last 5 years in Pakistan. Experience of working on donor funded projects shall be accorded due weightage	40
They should have adequate number of professionals consistent with tasks/scope of work delineated in ToRs and well-equipped office in Karachi	30
Lowest Price	30

TransKarachi
Operator of the Karachi Breeze System

CONTRACT AGREEMENT

Name of Country:	Islamic Republic of Pakistan
Project Title:	Karachi Bus Rapid Transit Redline Project
Title of Procurement:	Hiring the firm for outsourcing the Internal Audit firm for TransKarachi
Contract Ref:	KBRT-Serv/IAF/2026-27/02

THIS AGREEMENT made the ______ day of ______________ between **TransKarachi, House No. C-89 Near Bilal Masjid, Clifton Block-2 Karachi** (hereinafter called "The Client") of the one part and **M/s --** (hereinafter called "The Service Provider") of the other part: WHEREAS the Client invited Quotation **for Outsourcing the Internal Audit function of TransKarachi** has accepted a Quotation by the Service Provider for providing the services for the period of Twelve (12) months in the sum of [**Rs. ----------------/=**] **(Rupees-** --) (hereinafter called "the Contract Price") which is inclusive of Income Tax and sales taxes.

The Client and the Service Provider agree as follows:

The following documents shall be deemed to form and be read and construed as part of this Contract, viz:

a) **Contract Terms and Conditions**
b) **Notification of Award of Contract vide Letter No. ---------------------------------- dated: ----------------, duly accepted by the Service Provider.**
c) **Firm Quotation offers dated. ------------------------------ along with detailed relevant documents (Form of Quotation & Scope of Services)**

The Client hereby agrees to pay, in consideration of the successful performance of the services, the **Contract Price** as indicated and accepted in the **Notification of award of contract**, under payment terms stipulated in the **Contract Terms and Conditions**.

IN WITNESS whereof the parties hereto have executed the **Contract** under the laws of [*Pakistan*] on the date indicated above.

Signature and seal of the Client: For and on behalf of Client TransKarachi	**Signature and seal of the Service Provider:** For and on behalf of Service Provider M/s
______________________________ **Chief Financial Officer, TransKarachi**	______________________________ **Authorize representative of M/s**
Witness: ___________________	Witness: ___________________

TransKarachi Operator of the Karachi Breeze System

CONTRACT TERMS AND CONDITIONS

Name of Country:	Islamic Republic of Pakistan
Project Title:	Karachi Bus Rapid Transit Redline Project
Title of Procurement:	Hiring the services of firm for outsourcing the Internal Audit function of TransKarachi
Contract Ref:	KBRT-Serv/IAF/2026-27/02

1. Definitions

(a) "Contract" means the agreement entered into between the Client and the Service Provider, together with the Contract Documents referred to therein, including all attachments, appendixes, and all documents incorporated by reference therein.

(b) "Contract Documents" means the documents listed in the Contract, including any amendments thereto.

(c) "Contract Price" means the price payable to the Service Provider as specified in the Contract, subject to such additions and adjustments thereto pursuant to the Contract.

(d) "Completion" means the fulfilment of the committed services by the Service Provider in accordance with the terms and conditions set forth in the Contract.

(e) "Client" means the entity purchasing the Services.

(f) "Services" means the services the Service Provider will perform as specified in the Scope of Services in Appendix A.

(g) "Service Provider" means the natural person, private or government entity, or a combination of the above, whose bid to perform the Contract has been accepted by the Client and is named as such in the Contract.

(h) "ADB" is the Asian Development Bank.

2. Applicable Law

The Contract shall be interpreted in accordance with the laws of the Client's country.

3. Language

All communications and documents related to the Contract shall be in English.

4. Assignment

The Service Provider shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.

5. Fraud and Corruption

This Contract shall be covered by the provisions of ADB's Anticorruption Policy (1998, as amendedto date) and Integrity Principles and Guidelines (2015, as amended from time to time) that requiresBorrowers (including beneficiaries of ADB-financed activity), as well as Service Providers and Contractors under ADB-financed contracts, to observe the highest standard of ethics during the procurement and execution of such contracts.

6. Performance of the Services

The Service Provider shall carry out the Services with due diligence and efficiency and shall furnish the Client such information related to the Services as the Client may from time to time reasonably request. The Service Provider shall at all times cooperate and coordinate with the Client with respect to the performance of the Services.

7. Required Performance Standards

The Service Provider shall confirm the compliance with standards and parameters as per the contract Terms of Reference (TOR).

8. Service Completion Schedule

The services should be completed as per schedule indicated in the **Scope of Services** but not exceeding **Twelve (12) months** from the date of signing of contract. Service Provider may start the service / mobilize the team immediately after signing of contract agreement.

TransKarachi
Operator of the Karachi Breeze System

9. **Fixed Contract Price**
The prices indicated in the **contract** are firm and fixed and not subject to any adjustment during contract performance.

10. **Taxes and Duties**
Aforementioned total contract price is inclusive of all applicable taxes (Income Tax & SST). All prevailing Taxes, Government of Pakistan/Sindh taxes/stamp duties etc. are applicable as per the SROs. The Service Provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until completion of the services to the Client.

11. **Payment**
Upon submission by Service Provider of claim and subsequent verification of the claim by Client, payment of the contract price shall be made in the following manner:

a) No Advance Payment is allowed under this Contract.
b) Payment will be made within 30 days after provision of approved reports (Inception report and quarterly internal audit reports) etc.
c) Payment will be made upon submission of following documentation:

I. Supplier's original Sales Tax Invoice with Covering Letter.
II. One Electronic copy and three Original Report (Hard copy).
III. Satisfactory Report (in original) from concerned Department/Section of TransKarachi.

12. **Resolution of Dispute**

The Client and the Service Provider shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute between them under or in connection with the Contract. Inthe case of an unresolved dispute, the dispute shall be settled in accordance with the provisions ofthe Arbitration Act of Pakistan.

13. **Independent Service Provider**
The Contract shall not nor be deemed to create the relationship of employer and employee, master and servant, or principal and agent between Client and the Service Provider or the or his employees, agents or any other persons engaged by the contractor to perform its obligations under this Contract.

14. **Intellectual Property Rights**
Intellectual Property Rights: (a) The Service Provider shall indemnify the Client from and against any and all claims, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, proceedings, demands, costs, expenses and disbursements of whatsoever nature that may be imposed on, incurred by or asserted against, the Client during or in connection with the Services byreason of: (i) infringement or alleged infringement by the Service provider of any patent or other protected right, or (ii) plagiarism or alleged plagiarism by the Service provider.

15. **Failure to Perform**
The Client may terminate the Contract if the Service Provider fails to perform the services, in accordance with the above terms and conditions, in spite of a 14-day notice given by the Client, without incurring any liability to the Service Provider. In the event of such termination, the amount due under the Contract shall be subject to equitable adjustment.

16. **Termination due to Integrity Violation**
The Client may terminate this Contract, in whole or in part, if the Service Provider, in the judgmentof the Client has engaged in integrity violations in accordance with Clause 5 [Fraud and Corruption],in competing for or in executing this Contract.

17. **Other Grounds for Termination**
The Client may also terminate this Contract, in whole or in part, if the Service Provider becomes insolvent, bankrupt or gives the Client reasonable evidence of its inability to complete the Servicesas specified, or fails to correct any non-conformity in the Services or performs in bad faith by willfullynot observing the terms and conditions of this Contract.

18. **Force Majeure**
The Service Provider shall not be liable for penalties or termination for default if and to the extent that its

delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

a. For purposes of this Clause, “Force Majeure” means an events beyond the control of the Service Provider and not involving the Service Provider's fault or negligence and not foreseeable. Such events may include, but not restricted to, act of Client in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

b. If a Force Majeure situation arises, the Service Provider shall promptly notify the Client in writingof such condition and the cause thereof. Unless otherwise directed by the Client in writing, the Service Provider shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by Force Majeure event.

19. Accounts and Records

a. The Service Provider shall keep accurate and systematic accounts and records in respectof the Services in such form and detail as are customary in its profession and are sufficientto establish accurately that the costs have been duly incurred.

b. Notwithstanding anything to the contrary stated herein, the Service Provider shall maintainaccounts and records, including original receipts, invoices and other supporting documents evidencing payments made by the Service Provider under this Contract, for the period of the Services and for a period no less than 3 years after the expiration or termination of thisContract.

c. The Service Provider shall permit ADB to inspect the accounts, records, and otherdocuments relating to the submission of bids and contract performance of the Service Provider and to have them audited by auditors appointed by ADB.

20. Suspension of ADB Loan or Credit.

In the event that ADB suspends the Loan or Credit to the Client, from which part of the payments to the Service Provider are being made, the Client is obligated to notify the Service Provider, with copy to the Client's representative, of such suspension within 7 days of having received ADB's suspension notice.

21. Termination Notice Due to Non-payment

If the Service Provider has not received payments due within the 45 days as provided for in Clause 11 [Payment], the Service Provider may immediately issue a 14-day termination notice.

22. Focal Person of the Assignment

Senior Manager Finance / Chief Financial Officer, TransKarachi will be the focal person for coordination / correspondence will be nominated by TransKarachi.

TransKarachi
Operator of the
Karachi Breeze System