

# TENDER NOTICE FOR APPOINTMENT OF EXTERNAL AUDIT FIRM

Pakistan Expo Centres Private Limited intends to invite sealed bids from the Chartered Accountant firms having practicing license to provide External Audit Services as per the requirement of Companies Act 2017. The Operative Rule / Regulations for the instant procurement shall be PPRA Rules 2004 amended up to date.

## **Terms & Conditions**

1. The bids submitted after the closing date and time shall be rejected and returned without being opened.
2. The Bid Security must be provided with the technical proposal in the name of "**Pakistan Expo Centres (Private) Limited.**"
3. Single stage two envelope procedure will be adopted as per sub rule (b) of rule 36 of PPRA rules 2004.
4. Sealed tender documents must reach the office on or before **11:00 AM, Tuesday July 30, 2024**, and submittals will be opened in the presence of bidders or their authorized representatives at **11:30 AM** on the same day.
5. Financial bids will be opened only of technically compliant bidders at the given date and time. The time and date of the announcement of technical evaluation shall be indicated and informed at the time of opening of the technical bid.
6. Information provided by the bidders, if found to be incomplete/false at any stage, may result in immediate disqualification.
7. The advertisement and TOR's can be downloaded from the website of PPRA ([www.ppra.org.pk](http://www.ppra.org.pk)) and from the website of PECPL ([www.pakexcel.com](http://www.pakexcel.com)) or can be collected from below mentioned office address during the office hours.



### **For Information & Submission**

#### **Procurement Department**

Pakistan Expo Centres Private Limited

1-A Johar Town, Expo Centre Lahore

Ph #: 042 3529 8005-7 Ext: 104, Fax #: 042 3529 8004

Email: [procurementcommittee@pakexcel.com](mailto:procurementcommittee@pakexcel.com), [www.pakexcel.com](http://www.pakexcel.com)

# **Pakistan Expo Centres Private Limited.**



## **TERMS OF REFERENCE (TORs)**

**For**

## **HIRING OF EXTERNAL AUDIT FIRM**

July, 2024

## Table of Contents

INSTRUCTIONS TO BIDDERS .....	3
A. INTRODUCTION: .....	3
1. OPERATIVE LAW / REGULATION.....	3
2. SCOPE OF SERVICES .....	3
3. DURATION OF CONTRACT .....	3
4. ONE BIDDER ONE BID.....	3
5. COST OF BIDDING.....	3
6. BIDDING DOCUMENTS .....	4
7. CLARIFICATION OF BIDDING DOCUMENTS .....	4
8. AMENDMENT OF BIDDING DOCUMENTS .....	4
9. PEC'S RIGHT TO ACCEPT THE BID OR REJECT THE BID (Federal PPRA clause. 33).....	4
B. PREPARATION OF BID .....	4
10. LANGUAGE OF BID.....	4
11. DOCUMENTS COMPRISING THE BID (CHECKLIST).....	5
12. BID PRICES .....	5
13. SUFFICIENCY OF BID .....	5
14. BID CURRENCIES .....	5
15. BID VALIDITY PERIOD .....	6
16. BID SECURITY .....	6
17. BID SUBMISSION PROTOCOLS .....	6
C. SUBMISSION OF BID.....	7
18. SEALING AND MARKING OF BID .....	7
19. DEADLINE FOR SUBMISSION OF BID.....	7
D. OPENING AND EVALUATION OF BIDS .....	7
20. OPENING OF TECHNICAL BID.....	7
21. EVALUATION OF TECHNICAL BID: .....	7
22. CLARIFICATION OF BID .....	9
23. OPENING OF FINANCIAL BID:.....	10
24. ANNOUNCEMENT OF EVALUATION REPORTS .....	10
E. AWARD OF CONTRACT .....	10
25. POST-QUALIFICATION AND AWARD CRITERIA .....	10
26. PERFORMANCE SECURITY.....	10
27. NOTIFICATION OF CONTRACT AWARD.....	10
<b>Form TECH-1 Technical Proposal Submission Form .....</b>	<b>12</b>
Bid Performa.....	13

# **INSTRUCTIONS TO BIDDERS**

## **A. INTRODUCTION:**

Pakistan Expo Centres Private Limited is a corporate entity with the shareholding of Federal Government and Provincial Governments of Pakistan. The mandate of the company is to develop and manage Expo Centres in major cities of Pakistan with the objective to promote various sectors of economy through trade exhibitions, consumer fairs and conferences. Expo Centre Lahore was the first project of the Company, which is successfully doing its operations since 2010 and now the company is engaged in the development of another Expo Centre at Peshawar whereas the working for Expo Centre for Quetta has also been started.

## **1. OPERATIVE LAW / REGULATION**

1.1. Public Procurement Regulatory Authority rules 2004 read with Procurement of Consultancy Services Regulation 2010 shall be the operative rule / regulation for the instant procurement.

## **2. SCOPE OF SERVICES**

2.1. Annual Statutory Audit of the Company in accordance with International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) / International Standards on Auditing (ISA) and as per the provision of Company Law and other relevant applicable Laws.

## **3. DURATION OF CONTRACT**

3.1. The contract initially shall be for one year and may extendable in accordance with PPRA Rules and Company Law.

## **4. ONE BIDDER ONE BID**

4.1. Each bidder shall submit only one bid either by himself, or as a partner in a joint venture. A bidder who submits or participates in more than one bid will be disqualified.

## **5. COST OF BIDDING**

5.1. The bidder shall bear all costs associated with the preparation and delivery of his bid, and PECPL will in no case be responsible or liable for those costs.

## **6. BIDDING DOCUMENTS**

- 6.1. The bidders should examine the contents of all the above documents carefully. Failure to comply with the requirements of bid submission may lead to rejection of bid and disqualification of bidder

## **7. CLARIFICATION OF BIDDING DOCUMENTS**

- 7.1. The prospective bidder requiring any further information or clarification of the bidding documents may request PECPL in writing or by e-mail or by visiting at the following address prior to seven (7) days of the submission of bid date:

**Procurement Department**  
Pakistan Expo Centres Private Limited  
1-A Johar Town, Expo Centre  
Lahore.  
Ph: 042-35298005-7, Fax # 042 3529 8004

## **8. AMENDMENT OF BIDDING DOCUMENTS**

- 8.1. At any time prior to the deadline for submission of bid, PECPL may, for any reason, whether at its own initiative or in response to a clarification requested by the prospective bidder, modify the bidding documents by amendment(s).
- 8.2. The amendment(s) shall be part of the bidding document and shall be notified in writing, e-mail, or fax or by posting on company's website to all the prospective bidders who have received the bidding documents, and will be binding on all.
- 8.3. In order to facilitate the prospective bidder reasonable time to consider the amendment in preparing its bid, PECPL may, at its discretion, extend the deadline for the submission of bid.

## **9. PECPL'S RIGHT TO ACCEPT THE BID OR REJECT THE BID (Federal PPRA clause. 33)**

- 9.1. PECPL may reject all bids or proposal at any time prior to the acceptance of a bid or proposal.
- 9.2. PECPL shall upon request communicate to any company/firm who submitted a bid or proposal, the grounds for its rejection of all bids or proposals, but it is not required to justify those grounds.
- 9.3. PECPL shall incur no liability, as per sub rule (2) of rule 33 of PPRA rules 2004.

## **B. PREPARATION OF BID**

### **10. LANGUAGE OF BID**

- 10.1. The bid prepared by the bidder and all correspondence and documents relating to the bid exchanged by the bidder and PECPL shall be written in the English language.

## **11. DOCUMENTS COMPRISING THE BID (CHECKLIST)**

11.1. The bid prepared by the bidder shall be accompanied by the following documents:

- (i) Covering Letter
- (ii) Profile of the company.
- (iii) Provide relevant experience.
- (iv) Tender Documents duly signed & stamped on each page.
- (v) Contact Detail of concerns.
- (vi) Prices to be quoted on Company letter head duly signed & stamped.
- (vii) Proof of valid and active NTN & GST registration.
- (viii) Proof of valid and active Punjab Revenue Authority registration.
- (ix) Copy practicing license to provide External Audit Services as per the requirement of Companies Act 2017.
- (x) Authority Letter, Company representative duly signed and stamped.
- (xi) A certificate, on a stamp paper of Rs. 100/- duly signed by the authorized signatory that any Government / Autonomous body never blacklists the firm/company.

## **12. BID PRICES**

12.1. The bidder shall complete the Bid in accordance with the instructions contained in this document. The prices shall be considered to be on the basis of TORs quoted in the bid will be inclusive of Terms of References as mentioned.

12.2. The Prices quoted in the bid for "Appointment of External Audit Firm" should be in word / figure form and inclusive of all kind of applicable taxes and out of pocket expenses. In case of any clarification or doubt, the prices quoted in words shall be preferred.

12.3. In case of claiming Tax exemption, the requisite tax exemption certificate shall have to be provided along with the bid documents failing which the claim shall not be entertained. The tax exemption certificates shall be attached with the financial bid.

## **13. SUFFICIENCY OF BID**

13.1. Each bidder shall be expected to ensure as to the correctness and inclusion of rates and prices along with applicable taxes in the bid no claim shall be entertained if the prices quoted are stated to be without taxes. The Procuring agency shall take it for granted that all prices quoted are inclusive of taxes.

13.2. The bidder is advised to obtain for himself at his own cost and responsibility all information that may be necessary for preparing the bid and entering into a contract for execution of the Work.

## **14. BID CURRENCIES**

14.1. The unit rates and the prices shall be quoted by the bidder in Pak rupees

## **15. BID VALIDITY PERIOD**

15.1. The bid shall remain valid for Ninety (90) days which shall commence from the last day of submission of bid.

## **16. BID SECURITY**

16.1. Bid Security equal to Rs. 50,000/- (Rupees Fifty Thousand Only in terms of rule 25 of PPRA Rules 2004 shall be submitted along with the bid) in the form of CDR/Demand Draft/Pay Order in favor of **“Pakistan Expo Centres Private Limited”** must be attached with the Technical Bid, failing which the bid will be considered as non-responsive and shall be rejected.

16.2. The Bid Security will be returned to the unsuccessful bidder after 15 days of award of agreement to successful bidder.

16.3. The bid security of the successful bidder will be returned upon submission of the performance security.

16.4. Any bid not accompanied by an acceptable bid security shall be rejected by the PECPL as non-responsive.

16.5. The bid security may be forfeited.

16.5.1. If the bidder withdraws his bid during the period of validity; or

16.5.2. In case, successful bidder refuse to execute work, bid security will be forfeited

16.5.3. In case of successful bidder, if he fails within the specified time limit to;

16.5.3.1. Sign the LOI/contract agreement with PECPL in accordance with bidding documents.

16.5.4. If the successful bidder fails to deposit the performance security within the stipulated time in terms of rule 19 of PPRA Rule 2004, may be debarred or cross debar in all procurement processes for a period of six (6) months.

## **17. BID SUBMISSION PROTOCOLS**

17.1. Pakistan Expo Centres Private Limited seeks bids for Audit Services from Category-A Audit firms (As referred in Clause 21.2.1)

17.2. Single stage two envelop bidding process will be adopted as per sub rule (b) of the rule 36 PPRA Rules 2004.

17.3. All bids shall consist of two parts i.e. Technical bid and financial bid. Technical and financial bid must be placed in single sealed envelope.

17.4. All bids shall be assessed at the ratio of 90/10 (Technical/Financial).

17.5. The Financial bids of all bids failed to secure the required qualifying score shall be returned to the unsuccessful bidder unopened. A bidder having any grievance pertaining to technical evaluation may let its financial bid remained with the procuring agency till the decision by the grievance committee. All such financial bids shall according to the decision of grievance redressal committee either shall be made part of the bidding process or shall be returned unopened to the bidder concerned.

## **C. SUBMISSION OF BID**

### **18. SEALING AND MARKING OF BID**

18.1. The bidder shall seal the bid, duly marking the envelope as “Appointment of External Audit Firm” and mailed to the following address:

**Procurement Department**  
Pakistan Expo Centres Private Limited  
1-A Johar Town, Expo Centre  
Lahore.  
Ph: 042-35298005-7, Fax # 042 3529 8004

### **19. DEADLINE FOR SUBMISSION OF BID**

19.1. The bid must be received by the PECPL at the address specified, not later than July 30, 2024 till 11:00 am. PECPL may, at its discretion, extend the deadline for the submission of bids by amending the bidding documents and conveying to all bidders.

19.2. All prospective bidder shall be required to furnish undertaking on a stamp paper of Rs. 100/- duly signed by the authorized signatory, that neither they have been blacklisted by any of the public sector organization during the last two years or have gone into the court against such orders.

## **D. OPENING AND EVALUATION OF BIDS**

### **20. OPENING OF TECHNICAL BID**

20.1. The bid shall be opened by the procurement committee of PECPL in the presence of bidder’s or their authorized representatives who choose to be present attending the bid opening shall be required to mark their attendance in the attendance sheet.

20.2. In the first instance, the “Technical Bid” will be opened and the enveloped marked as “Financial Bid” will be remain in the safe custody of PECPL unopened.

### **21. EVALUATION OF TECHNICAL BID:**

21.1. In first phase, the procurement committee will evaluate the technical documents as per evaluation criteria mentioned below on quality and cost based selection mode. In case of any document found incomplete/ambiguous shall be declared as non-responsive.



Sr #	Description	Category Points	Grand Total Points	Documents Required
1	Years of establishment (1 marks for each 5 years completed)	0.5X No. of years	15	Evidence of incorporation of the firm
2	Have prior experience of conducting external audits of public sector companies / government organizations in last 5 years having assets base of 10 billion or more (1 assignment 2 mark)	2 X No of public sector / government organization having assets base of 10 billion or more	20	Names of external audits conducted along with the dates of audit report issued on the Firm's Letter head duly signed and stamped.
3.	No. of Employed Qualified Chartered Accountants registered with ICAP <ul style="list-style-type: none"> <li>• Up to 10;</li> <li>• More than 10</li> </ul>	10 15	15	Provide list of employed staff mentioning the Names, ICAP registration numbers and years of hiring with firm on Firm's letter head duly signed and stamped
4.	No of offices in Pakistan <ul style="list-style-type: none"> <li>• 2 office in Pakistan</li> <li>• 4 Office in Pakistan</li> <li>• 5 or more office in Pakistan</li> </ul>	3 6 10	10	Particulars of office on Firm's letter head duly signed and stamped
5.	Number of trainees registered with ICAP: <ul style="list-style-type: none"> <li>• Up to 100</li> <li>• More than 100 and upto 175</li> <li>• More than 175</li> </ul>	3 6 10	10	List of registered trainees along with ICAP registration numbers on Firm's letter head duly signed and stamped
6.	Prior experience of the engagement team proposed for external audit assignment (minimum 5 members)		10	
	<ul style="list-style-type: none"> <li>• Engagement partner having more than 15 years post qualification experience</li> </ul>	4		Copy of ICAP Membership Certificate of Engagement Partner
	<ul style="list-style-type: none"> <li>• Manager having more than 10 years post qualification experience</li> </ul>	2		Copy of ICAP Membership Certificate of Engagement Partner

	<ul style="list-style-type: none"> <li>1 team member having more than 3 years of experience</li> </ul>	2		Attach CVs
	<ul style="list-style-type: none"> <li>2 team members having more than 2 years of experience</li> </ul>	2		
7.	Audit Methodology – specifically use of sophisticated audit software		20	
	<b>Total Marks</b>		<b>100</b>	

Firm having 70 or more marks in technical evaluation shall qualify for financial opening.

21.2. All bidders in addition to the evaluation criteria mentioned above must also possess the following. In second phase, Procurement committee will evaluate the following technical documents. Bidders who fail to provide the evidence will be considered technically non-responsive.

21.2.1 The firm must be a Member or Independent Correspondent firm of an International firm and must fall in Category A of the state bank of Pakistan's Panel of Auditors maintained under Section 35(1) of Banking Companies Ordinance, 1962.

21.2.2 Auditor appointed must be a firm of auditors for which the firm or a partner of the firm is compliant with the International Federation of Accountants' (IFAC) Guidelines on Code of Ethics, as applicable in Pakistan.

21.2.3 Must have correspondence office in Lahore Pakistan.

21.3. Unopened financial bids will be returned to those bidders who will be declared as non-responsive in technical evaluation.

## 22. CLARIFICATION OF BID

22.1. To assist in the examination, evaluation and comparison of bid, PECPL may require the bidder to clarify any point of its bid. The clarification however shall not impact the scope and cost of the bid. While any discrepancy or arithmetical error noticed in the rates quoted by the bidder shall be referred to the rates quoted in words. And ask the bidder for a clarification of its bid and no change in the price or substance of the bid shall be sought, offered or permitted except as required to confirm the corrections of arithmetical errors discovered in the evaluation of bid.

## **23. OPENING OF FINANCIAL BID:**

23.1. The bids found technically responsive will be eligible for opening of the financial bid after announcement of technical evaluation report. PECPL shall open the sealed Financial Bid(s) of the qualified Bidder(s) on a pre-determined date and time which will be intimated in advance.

### **Note:**

A misstatement/misrepresentation for any part of the RFP/bidding documents shall disqualify the firm.

## **24. ANNOUNCEMENT OF EVALUATION REPORTS**

24.1. PECPL in terms of rule 35 of PPRA Rule 2004 will announce the results of bid evaluation in the form of a report for acceptance or rejection of bids at least fifteen (15) days prior to the award of procurement contract.

## **E. AWARD OF CONTRACT**

### **25. POST-QUALIFICATION AND AWARD CRITERIA**

25.1. PECPL will award the contract to the bidder if its bid has been determined to be substantially responsive to the requirements as envisaged in the bidding documents and has attained highest combined score as determined by the Procurement Committee.

### **26. PERFORMANCE SECURITY**

26.1 The successful bidder, will be required to submit performance security equal to 10% of contract value/price in the form of CDR/Pay order / Demand Draft in favor of Pakistan Expo Centres Private Limited within ten (10) days of the issuance of LOI.

26.2 If the audit firms violates any of the terms and conditions of the contract performance security shall be forfeited.

26.3 Failures on the part of the successful bidder to comply with any of the clause of contract shall lead to proceedings under rule 19(b) of PPRA Rules 2004.

26.4 The Performance Security shall be returned to the Contractor after the successful execution of the contract with a certificate of satisfactory performance of the contractual obligations by the end user.

### **27. NOTIFICATION OF CONTRACT AWARD**

27.1 PECPL will notify the successful bidder in writing by a registered post/in person that he has been declared as a successful bidder and shall be provided with the letter termed as "Letter of Intent" (LOI).

27.2 The issuance of LOI will lead to signing of a contract with the successful bidder after fulfilling all the pre requisites of contract award mentioned above (submission of

performance guarantee if any) within the stipulated time. Any failure to comply with the requirement of LOI shall lead to proceeding as mentioned in clause 16.5.4.

27.3 RFP/bidding documents/TOR's shall be read as integral part of the Contract.

27.4 The PECPL prior to signing of the contract with the successful bidder in terms of section 21 of the General Clauses Act 1897 reserve the rights to add, amend, vary or rescind the LOI terms and conditions.

27.5 Contract may be terminated with prior notice of one month by PECPL upon event of default as mentioned in contract.

The technical and financial proposal should be submitted using following standard forms:

Technical Proposal Submission Form: **TECH-1**

Financial Proposal submission form: **Bid Proforma**

**Form TECH-1 Technical Proposal Submission Form**

Date \_\_\_\_\_

To:

Procurement Department

1-A, Johar Town, Expo Centre Lahore

Dear Sir,

We, the undersigned, offer to provide the External Audit services for PECPL in accordance with your Notice for hiring of external auditor & TORs dated [Date]. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Agreement negotiations.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

## Bid Performa

The total Bid Price shall include all other services, as per Terms of Reference, to be provided under the Contract. The Bid Price must include all applicable taxes. If not specifically mentioned in the quotation, then it will be presumed that the prices include all the taxes.

Sr. No	Description	Per Annum Inclusive of all applicable taxes and out of pocket expenses
1.	As per complete TOR's	
	<b>Total Amount per annum in words</b>	

**Note:**

- \* Any amendment/revision in applicable Government Taxes shall be imposed upon the External Audit Companies/Firms.
- \* A bidder who submits or participates in more than one bid will be disqualified.