

# PUNJAB SKILLS DEVELOPMENT FUND

## REQUEST FOR PROPOSAL (RFP)

FOR

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HIRING OF FIRM FOR EXTERNAL AUDIT

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**March, 2020**



**Submission Deadline: 17<sup>th</sup> March 2020 by or before 11:00 AM**  
21-A, H-Block, Dr. Mateen Fatima Road, Gulberg-II, Lahore Pakistan  
Phone: +92-42-35752408-10  
Fax: +92-42-35752190

## 1 Background

Punjab Skills Development Fund (PSDF) was established in 2010 as a not-for-profit company set up under the Companies Ordinance 1984 by the Government of Punjab (GOP) in collaboration with UK's Department for International Development (DFID). PSDF intends to invite sealed proposals for appointment of External Auditors to carry out PSDF Statutory Audit and Compliance of Public Sector Companies Corporate Governance Rules, 2013 for the Financial years 2019-20.

## 2 Overview of Proposal

PSDF invites Chartered Accountant Firms having expertise in specialized domains as listed in the scope of work

## 3 Scope of Work

The overall scope and purpose of the audit will be as follow:

- I. Statutory Audit of PSDF under the Companies Act, 2017 for the Financial Year 2019-20.
- II. Compliance Audit of PSDF under the SECP Corporate Governance Rules 2013 for the Financial Year 2019-20.

## 4 Instruction & Guidelines

- The selection of Appointment of External Auditor will be based on **Least Cost Method through Single Stage, Two Envelopes** procedure.
- PSDF Board of Directors will finalize the appointment of External Auditors.
- The proposal shall be a single package consisting of two separate envelopes, containing separately Technical Proposal and Financial Proposals. The envelopes shall be marked separately as "Technical Proposal" and "Financial Proposal".
- Proposal containing all required information & documentary evidence must be delivered to Procurement Department, PSDF, 21-A, H-Block, Dr. Mateen Fatima Road, Gulberg-II Lahore in a sealed packet and submitted by or before **11:00 AM March 17, 2020**.
- The Proposal Documents shall be opened on the same day i.e. **March 17, 2020** at **11:30 AM** by the Procurement Committee in the presence of representatives of interested applicants who desire to attend. The selection process of firm shall be in accordance with prevailing Procurement Rules. No telephonic / e-mail / faxed "Request for Proposal" shall be acceptable. In case of incomplete information as required under the "Request for Proposal", will not be considered and will be rejected.
- Please submit complete proposal with supporting documents and Financial Proposal.
- PSDF reserves the right to reject any proposal, which does not conform to specified requirements without reference to price and condition. During the technical evaluation no amendments in Technical Proposal shall be permitted.
- A **minimum score of 65 marks** is required in technical evaluation to qualify for Financial Bid opening.

- PSDF will confirm the date and time to the qualified firms for financial bid opening.
- Please ensure that Proposal documents are submitted before the closing time and date of the RFP. Proposal received after closing time and date will NOT be considered.
- All documents and information received by PSDF from applicants will be treated as confidential. Documents submitted to PSDF will not be returned.
- Please mark and attach all the supporting document for the evaluation purpose. In case of any clarification please feel free to email at [proc@psdf.org.pk](mailto:proc@psdf.org.pk) before **March 13, 2020**.
- The firm must submit the Technical Proposal, and Financial Proposal in separate sealed envelopes in a sealed package. If Financial Proposal is found open or unsealed, then the proposal may be rejected.
- A cover letter as specified in “**Annexure E**” shall be submitted with the proposal and information regarding the organization shall also be submitted as specified in “**Annexure A**”

**Note: Please provide the required information in all annexures mentioned in this document and mark them while submitting the proposal. All annexures attached herewith are to be considered a part of this bidding document.**

*\*\*\*Although adequate thought and effort has been given in the drafting of this document, errors such as typos may occur which the PSDF will not be responsible.*

## 5 Qualification/Eligibility Criteria

Below are the mandatory qualification/Eligibility criteria to qualify for the technical evaluation process

- The firm must have affiliation with one of the global audit firms and must be listed on **Category A** panel of State Bank (Affiliation Certificate / Proof).
- Firm’s Registration with ICAP (Certificate / Proof).
- Must have office in Lahore
- Number of Partners of Audit Firms shall not be less than 10 (Provide partner detail along with their registration number on firm’s letter head).
- Registered as Active Taxpayer in Income Tax with FBR. Provide National Tax Number (NTN) and General Sales Tax (GST)/ Provincial Sales Tax (PST) (if applicable) in the name of organization and provide a copy of registration
- Affidavit on stamp paper declaring that company is not blacklisted by any Government agency/ semi-government / authority / organization. (Original required)  
Any, failure to provide information as per the above mentioned or fulfilment under the requirement of “Eligibility Criteria Checklist” (**Annexure B**) shall deemed to be or declared to be ineligible for the bidding process and technical evaluation shall not be carried out

## 6 Form of Contract

- The successful firm shall sign and execute the standard contract of PSDF including any general conditions on the terms and conditions specified therein. Any amendment to the standard contract shall be made with mutual consent of both parties.



- The duration of the contract shall be for one year; however, it may be extended on mutual consent but in case of PSDF decides to cancel the contract during the contract period, a notice period of one month shall apply.
- The PSDF may reject all bids or proposals at any time prior to the acceptance of a bid or proposal.
- Payment shall be made after Signed Audited Financial Statement and Compliance Report as mentioned in Scope of work
- Payment shall be made with-in thirty days after completion of assignment and receipt of invoice.
- Bid/proposal shall remain valid for the period of **90 days** from date of bid opening.
- Payment shall be made after applying all the applicable taxes.
- All the applicable taxes will be responsibility of Audit Firm.

## 7 Evaluation Criteria

- This document is governed by the procedure/rules approved by PSDF management.
- The technical proposal of eligible organisations will be evaluated against requirements specified in “Annexure – C”.

## 8 Financial Evaluation Criteria

The Financial Proposals of only eligible bidders with technically qualified specifications will be opened in the presence of all the bidders. All bids shall be opened publicly in the presence of bidders or their representatives who may choose to be present, at the time and place announced prior to the bidding and person designated for PSDF shall read aloud the unit price as well as the bid amount and shall record the minutes of the bid opening. All bidders shall sign an attendance sheet at the time of bid opening. Please provide information regarding Financials in **Annexure – D**”.

## 9 Declaration

Kindly provide the declaration as per format provided below.

I, \_\_\_\_\_ hereby declare that:

- all the information provided in the Request for Proposal (RFP) is correct in all manners and respects
- and I am duly authorized by the **Governing body/Board/Management** to submit this on behalf of "[Click here and type the name of organization]"

<b>Name</b>	
<b>Designation</b>	
<b>Signature</b>	
<b>Date and Place</b>	

**Note:** Please attach documentary proof for authorization by the governing body/board/management.

### Annexure-A Organizational Information

Organizational Information		
Sr. No.	Required Information	Response
1	Legal name of the organization	
2	Year of Registration / Establishment of the Organization	
3	National Tax Number	
4	General / Provincial Sales Tax Number	
5	What is the legal status of your organization? Tick the relevant box (one box only). (Attach Copy/Copies of Registration Certificate/s)	Public Sector Organization
		Section 42 Company
		Public Ltd. Company
		Private Ltd. Company
		Private Partnership Firm
Others (Please specify)		
6	Name and designation of 'Engagement Partner'	
7	Mobile:	
	Phone/s:	
	Email:	
	Fax:	
	Address of organization:	
	Website address:	
8	Name and designation of 'Contact Person':	
	Phone/s:	
	Mobile:	
	Email:	
	Fax:	

### Annexure-B Eligibility Criteria Checklist

Eligibility Criteria Checklist				
Sr. No.	Eligibility Criteria Details	Evidence/Proof Required	Attached Supporting Documents/Proof and mark Yes/No	
			Yes	No
1	The firm must have affiliation with one of the global audit firms and must be listed on Category A panel of State Bank	Affiliation Certificate/Proof	<input type="checkbox"/>	<input type="checkbox"/>
2	Firm’s Registration with ICAP (copy of incorporation / registration certificate)	Evidence of incorporation/registration	<input type="checkbox"/>	<input type="checkbox"/>
3	Must have office in Lahore	Address of office on letter head	<input type="checkbox"/>	<input type="checkbox"/>
4	Number of Partners of Audit Firms shall not be less than 10 (Provide partner detail along with their registration number on firm’s letter head)	Provide partner detail along with their registration number on firm’s letter head	<input type="checkbox"/>	<input type="checkbox"/>
5	Active Taxpayer with FBR. Provide National Tax Number (NTN) and General Sales Tax (GST)/ Provincial Sales Tax (PST) (if applicable) in the name of organization. (copy of registration & proof on ATL)	Copy of NTN and GST/PST certificate (whichever is applicable) along with proof for ATL.	<input type="checkbox"/>	<input type="checkbox"/>
6	Affidavit on stamp paper declaring that company is not blacklisted by any Government agency/ semi-government / authority / organization. (Original required)	Affidavit on stamp paper original signed & stamped	<input type="checkbox"/>	<input type="checkbox"/>

### Annexure-C Technical Evaluation

Criteria, sub-criteria, and point system for the evaluation of Technical Proposals are:

Sr	Description	Category Points	Grand Total Points	Documents Required
1	No. of Partners of Audit Firm <ul style="list-style-type: none"> <li>• Between 10 to 15</li> <li>• More than 15</li> </ul>	10 20	20	Provide list of partners mentioning the Names, ICAP registration No. and Year of partnership on Firm's letter head, duly signed and stamped
2	No. of employed qualified chartered accountants registered with ICAP <ul style="list-style-type: none"> <li>• Between 20 to 40</li> <li>• More than 40</li> </ul>	10 20	20	Provide list of employed staff mentioning the Names, ICAP registration No and Year of hiring with Firm on Firm's letter head, duly signed and stamped
3	No. of Offices <ul style="list-style-type: none"> <li>• Lahore office only</li> <li>• More than 2 office including Lahore</li> <li>• More than 3 offices including Lahore</li> </ul>	10 15 20	20	Detail of offices on Firm's letter head, duly signed and stamped
4	Engagement partner for the assignment having professional experience of: <ul style="list-style-type: none"> <li>• More than 5 year but Less than 10 years</li> <li>• 10 years and above</li> </ul>	10 20	20	Attach CV clearly mentioning experiences.
5	In Past 5 years, Firm performed external audit of public sector companies <ul style="list-style-type: none"> <li>• 5 public sector companies</li> <li>• More than 5 public sector companies</li> </ul>	10 20	20	Provide duly signed and stamped list of companies mentioning name of company audited with details of contact person or engagement letter.
<b>Total</b>			<b>100</b>	

The minimum technical score required to pass to qualify for financial opening is: **65** Points

## Annexure-D Financial Proposal

Total Cost	Costs without Taxes	Taxes	Costs including All Taxes
	Pak Rupees	Pak Rupees	Pak Rupees
Total Costs of Financial Proposal			

Sr. No.	Particulars	External Audit Fee without Taxes	Out of Pocket Expenses without Taxes	Taxes (%age & Amount in PKR)	Total Cost inclusive of all applicable taxes
1	Statutory Audit of PSDF under Companies Act 2017 for the Financial Year 2019-20				
2	Compliance Audit of PSDF under the SECP Corporate Governance Rules 2013 for the Financial Year 2019-20.				

**Business will be awarded on lump sum/total cost for whole assignment.**

**Payment Terms:**

Upon completion of assignment/deliverable to the satisfaction of the Client, payment shall be made within 30 days after submission of the invoice.

## Annexure-E Cover Letter for the Submission of Proposal

Location: \_\_\_\_\_

Date \_\_\_\_\_

To:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir,

We, the undersigned, offer to provide the services for **Hiring of Firm for External Audit** in accordance with your Request for Proposal dated [date here]. We hereby submit our technical and financial proposals including the required documents in a sealed 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. Our proposal is binding upon us and subject to the modifications resulting from contract negotiations. We undertake that we will initiate the services as per the client's request if our proposal is accepted. We understand that you are not bound to accept any or all proposals you receive.

We understand that the selection process for **Hiring of Firm for External Audit** will be in accordance with prevailing Procurement Rules and you are not bound to accept my Request for Proposal.

Yours sincerely,

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

Name of Engagement Partner: \_\_\_\_\_

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