

**BIDDING DOCUMENTS**

**For the Services of Internal Audit FY 2015-16 (Extendable)**

**(Bid Ref. No. Fin./Int. Audit/01)**

Bid Submission Date & Time : 21<sup>st</sup> September, 2015 at 1500 Hours

Bid Opening Date & Time : 21<sup>st</sup> September, 2015 at 1530 Hours



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**Faisalabad Industrial Estate Development and Management Company (FIEDMC)**

1<sup>st</sup> Floor, FCCI Complex, East Canal Road, Canal Park, Faisalabad

Ph # 041-9230231-34 UAN: 041-111-343-362

[www.fiedmc.com.pk](http://www.fiedmc.com.pk)



**FAISALABAD INDUSTRIAL ESTATE  
DEVELOPMENT & MANAGEMENT COMPANY**



**Invitation for Bids for the Services of Internal Audit FY 2015-16 (Extendable)**

**(Bid Ref. No. Fin./Int. Audit/01)**

Faisalabad Industrial Estate Development & Management Company (FIEDMC) has been established by Government of the Punjab on the basis of Public Private Partnership to achieve orderly, planned and rapid industrialization of Faisalabad district and formally registered under Section 42 of Companies Ordinance 1984.

FIEDMC invites sealed Technical and Financial Proposals for the **Services of Internal Audit Assignment** for FY 2015-16 (extendable).

Reputable Chartered Accountants Audit Firms having satisfactory QCR Rating from ICAP, affiliated with globally recognized professional bodies and ample experience of working with public sector organizations in the field of Internal & External Audit, Tax and related professional services may apply for the appointment of Internal Auditors of the company.

Detailed eligibility criteria and scope of services is laid down in bidding documents. Interested bidders may inspect the bidding documents at the address of FIEDMC between **0900 Hrs to 1700 Hrs** or may download bidding documents from FIEDMC ([www.fiedmc.com.pk](http://www.fiedmc.com.pk)) and PPRA ([www.ppra.punjab.gov.pk](http://www.ppra.punjab.gov.pk)) websites. The hiring shall be completed in accordance with PPRA Rules 2014.

A single package containing Firm Profile, Technical & Financial Proposal, duly signed, stamped, sealed and in complete conformity with bidding document should reach FIEDMC office, on or before **1500 Hours on 21<sup>st</sup> September, 2015**. Bids will be opened at **1530 Hours on the same day** in the presence of bidders' representatives who choose to attend, at **FIEDMC Office**. Bids received late will be rejected and returned unopened to bidders.

In case the bid opening date is declared a public holiday then the bids will be received and opened on the next working day or as notified.

Bidders must ensure that all the required documents indicated in the Bidding Documents are submitted with the bid without fail. Incomplete bids or bids received without, undertaking, valid documentary evidence, supporting documents or bids not sealed, signed or stamped will not be considered.

FIEDMC reserves the right to cancel all the bids without assigning any reason.

**Chief Executive Officer**

Faisalabad Industrial Estate Development & Management Company (FIEDMC)

1<sup>st</sup> Floor, FCCI Complex, Canal Park, East Canal Road, Faisalabad

Tel: 041-9230231-4 Fax: 041-9230235

## TERMS & CONDITIONS

### 1. INVITATION TO BID

This Bidding Process will be governed under Punjab Procurement Rules, 2014, as amended from time to time and instructions of the Government of the Punjab received during the completion of the process.

### 2. BIDDING DETAILS (Instructions to Bidders)

2.1 Queries of the Bidders (if any) for seeking clarifications regarding the scope of services must be received in writing to the FIEDMC till **10<sup>th</sup> September, 2015**. All queries shall be responded to within due time. Any query received after said date shall not be entertained. FIEDMC may host a presentation or Q&A session, if required, at FIEDMC premises. All Bidders shall be informed of the date and time in advance.

2.2 It may be noted that compliance of Terms and Conditions is mandatory. Request for increase in internal audit fee will not be entertained except arising from increase in scope of services by the FIEDMC.

2.3 Successful bidder shall be responsible for provision of agreed services at FIEDMC corporate office situated at Faisalabad.

2.4 Bidders are also required to state, in their proposals, the name, title, contact number (landline, mobile), fax number and e-mail address of the bidder's authorized representative through whom all communications shall be directed until the process has been completed or terminated.

2.5 The FIEDMC will not be responsible for any costs or expenses incurred by bidders in connection with the preparation or delivery of the bids.

2.6 Failure to provide required services within the specified time period may invoke penalty as specified in this document.

### 3. SCOPE OF SERVICES

3.1 The successful bidder will be responsible for the provision of Internal Audit services as per scope of services as detailed in **Annex – I**.

#### **4. ELIGIBILITY CRITERIA**

4.1 Eligible Bidder is a Bidder who meets the following criteria:-

- 4.1.1 Active member firm registered with ICAP with satisfactory QCR Rating.
- 4.1.2 Register with tax authorities as active taxpayer.
- 4.1.3 Affiliated with globally recognized professional bodies.
- 4.1.4 Registered on the panel of State of Pakistan (SBP).
- 4.1.5 Having head office/branch office in Faisalabad.
- 4.1.6 The firm already engaged in statutory audit of The Company will not be eligible for this assignment.
- 4.1.7 Has not been blacklisted by any of Provincial or Federal Government Department, Agency, Organization or autonomous body or Private Sector Organization anywhere in Pakistan. (Submission of undertaking to this effect on legal stamp paper as specified in **Annex-III**).

#### **5. AMENDMENT OF BIDDING DOCUMENTS**

- 5.1 FIEDMC may, at any time prior to the deadline for submission of the Bid, at its own initiative or in response to a clarification requested by the Bidder(s), amend the Bidding Document, on any account, for any reason. All amendment(s) shall be part of the Bidding Document and binding on the bidder(s).
- 5.2 FIEDMC shall notify the amendment(s) in writing at least 07 Days before the dated of bid opening on FIEDMC & PPRA Websites as per Punjab Procurement Rules, 2014.
- 5.3 FIEDMC may, at its sole discretion, amend the Bidding Document or extend the deadline for the submission of the Bid under PPRA Rules, 2014.

#### **6. PREPARATION / SUBMISSION OF BIDS**

- 6.1 The Financial Proposal shall comprise on **'Letter of Offer'** as specified in **Annex-II**, duly affixed with authorized signatures, official seal/stamp in a sealed envelope with clear marking "Financial Proposal". All other documents such as profile, undertaking, credentials, certificates, brochures, literature, letters, and forms etc. shall be provided in another envelope.

#### **7. BID PRICE / FEE SCHEDULE**

- 7.1 The quoted price shall be:
  - 7.1.1 Best / final / fixed and valid until completion of all delivery i.e. not subject to variation / escalation;
  - 7.1.2 The fee quoted by the bidder shall be in Pak Rupees only;

7.1.3 Where no prices are entered against any item(s), the price of that item shall be deemed be free of charge, and no separate payment shall be made for that item(s).

## **8. BID VALIDITY**

8.1 The Bid shall have a minimum validity period of **06 months** from the last date for submission of the Bid.

## **9. OPENING OF THE BID**

9.1 The Bidder's name, modifications, withdrawal, attendance of the bidder and such other details as the FIEDMC may, at its exclusive discretion, consider appropriate, shall be announced and recorded.

## **10. CLARIFICATION OF THE BID**

10.1 The FIEDMC shall have the right, at its sole/exclusive discretion, to require, in writing, further information or clarification of the Bid, from any or all the Bidder(s). 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 Bid. Acceptance of any such Correction is sole discretion of FIEDMC.

## **11. CORRECTION OF ERROR / AMENDMENT OF BID**

11.1 The Bid price as determined after arithmetic corrections shall be termed as the Corrected Bid Price which shall be binding upon the Bidder.

## **12. TECHNICAL EVALUATION CRITERIA**

12.1 70% weightage will be given to Technical Evaluation, hence a bidder obtaining 70 marks will get 70% weightage i.e. 49 marks.

12.2 The Bids which do not conform to the Technical Specifications as given below and in para 3, 4 and 8 above will be rejected.

<b>Sr. No.</b>	<b>Parameters</b>	<b>Maximum Marks</b>
1	Number of partners (1 Mark for each partner)	5
2	Number of qualified staff (excluding partners) (1 Mark for each) (ACA,FCA,ACMA,FCMA,ACIS,FCIS,ACCA,APFA,CISA etc.)	5

3	Affiliation with globally recognized professional bodies (Affiliation with big four – 10) (Affiliation with others – 5)	10
4	Professional Staff Strength (For 25-50 professionals, 5 marks) (For 51-100 professionals, 10 marks) Above 100 professional, 15 marks)	15
5	No. of years of experience with government / semi-government & autonomous bodies (5 marks for 5 years) (additional 1 Mark for each exceeding year)	15
6	Office in Faisalabad	10
7	Offices in Pakistan except Faisalabad (1 mark for each, Max 5 Marks)	5
8	No. of years of experience with construction / development related organizations (1 mark for each year)	5
<b>Total</b>		<b>70</b>

### 13. FINANCIAL EVALUATION

13.1 30% weightage will be given to financial evaluation, hence lowest bidders obtaining 30 marks will get 30% weightage i.e. 9 marks.

Sr. No.	Parameters	Marks
1	Lowest bidder	30
2	2 <sup>nd</sup> Lowest bidder	20
3	3 <sup>rd</sup> Lowest bidder	10
4	Else	5

13.2 Overall evaluation shall be on the basis of cumulative respective weightage of Technical and Financial Proposals i.e. 70% of marks obtained in Technical Proposal & 30% of marks in Financial Proposal.

13.3 The Price evaluation will include all taxes and expenses etc. In case of any exemption of taxes made by the Government in favor of the FIEDMC, the firm shall be bound to adjust the same in the Financial Proposal.

13.4 In cases of discrepancy between the fee quoted in Words and in Figures, the amount stated in words will be considered.

### 14 REJECTION / ACCEPTANCE OF THE BID

14.1 The FIEDMC may cancel/reject all bids or proposals at any time prior to the acceptance of a bid. The FIEDMC shall upon request communicate to any bidder, the grounds for its rejection

of all bids or proposals, but shall not be required to justify those grounds. The FIEDMC shall incur no liability, solely, by virtue of its invoking Punjab Procurement Rules, 2014 towards the bidders. However, bidders shall be promptly informed about the rejection of the bids, if any, as envisaged under PPRA Rules, 2014.

## **15. ACCEPTANCE LETTER**

15.1 FIEDMC shall issue the Acceptance Letter to the successful bidder, after 10 days of announcement of bid evaluation report and prior to the expiry of the original validity period or extended validity period of the bid.

## **16. PAYMENT PROCEDURE**

16.1 The firm shall submit bill / request for payment to FIEDMC on quarterly basis after the end of each quarter.

16.2 FIEDMC shall pay the amount due within **thirty (30)** days after verification of invoice. Payment shall not be made in advance and against partial deliveries. FIEDMC shall make payment for services rendered in Pak Rupee through a cross cheque/PO/DD.

16.3 All payments shall be subject to any and all taxes and levies applicable under the laws of Pakistan, for the whole period starting from issuance of Acceptance Letter till delivery of services.

## **17. TAXES AND DUTIES**

17.1 The fee quoted by the firm shall be inclusive of all taxes, duties and surcharge etc. The effect of subsequent legislation, if any, may be incorporated after mutual consent of both the parties.

## **18. SPECIFIC TERMS AND CONDITIONS**

18.1 All the bids shall be subject to the following specific conditions:-

18.1.1 Internal audit services shall be required at FIEDMC Corporate Office situated at Faisalabad.

18.1.2 Successful Audit Firm will depute two officials (full time) having at least two years of relevant experience (qualified / part qualified) at FIEDMC office premises who will perform the assigned services under supervision of a qualified chartered accountant.

18.1.3 The Internal Audit Team will manage to note audit findings on daily basis and submitted quarterly report within 15 days after the end of each quarter.

18.1.4 The firm will provide set protocols/mechanism for placing audit observations/objection or recommendation, signing and stamping the voucher on the basis of materiality of transactions and nominating the authorized officials.

- 18.1.5 Staff deputed by the firm or any change/rotation shall be in writing clearly mentioning the Name, Qualification, Date of Joining, Replaced with, Specimen Signature etc.
- 18.1.6 FIEDMC will provide furnished workstation, office lunch and common facilities to the officials deputed by the firm for performance of internal audit services as per company policies.
- 18.1.7 Notwithstanding anything contained in the Bidding Documents, the Punjab Procurement Rules 2014 (PPRA-2014) shall be applicable and shall supersede any clause contained in the Bidding Documents.
- 18.1.8 After signing Letter of Engagement, failure to provide required services within the specified time period shall invoke penalty and the bidder shall be required to pay penalty up to 50% of the bid price and may result in cancellation of contract.
- 18.1.9 Notwithstanding that any details, accessories for the completion of job and required to deliver the required services are not specifically mentioned in these documents shall be considered as included in the offered/quoted price.

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**BIDDER**



## **SCOPE OF SERVICES**

The successful bidder will be responsible for the provision of Internal Audit services as per scope of services detailed below:-

### **OBJECTIVE**

- To ensure compliance of internal policies and procedures and disbursements as per financial powers.
- To ensure compliance of rules and regulations issued by Federal Government, Provincial Government and other regulatory authorities.
- To facilitate the management in strengthening internal controls.

### **PRE-AUDIT OF PAYMENTS**

- Pre-Audit of all types of payments through banks, Sign & stamp the Bank Payments & Cash Payments and related General Vouchers
- To ensure correctness of accounting transaction in General Ledger System

### **POST-AUDIT OF REVENUES, RECEIPTS & ADJUSTMENTS**

- Post-Audit of Bank Receipts, Cash Receipts & related General Vouchers
- Post-audit of adjustments

### **QUARTERLY REVIEW AND REPORT**

Quarterly Review will cover the following business cycles in a financial year and overall review of development status and status of legal matters etc. One or two cycles will be covered in each quarter.

- **REVENUE**

Sales rates, Terms of allotment/transfer of plots, Fees, charges & penalties, Terms of discounts/rebates, Installment schedule, trade debts etc.

- **EXPENDITURE**

Budget allocation, Procurement process, Operating expenses, Advance for expenses, Trade and other payables, Prepayments etc.

- **FIXED ASSETS**

Budget allocation, addition / deletion in assets, Reconciliation, Physical Stock Taking etc.

- **INVENTORY**

Land held for development and sale, Cost of sales of plots, Award of contracts, Development work in progress, Stage of completion of each contract etc.

- **PAYROLL & PERSONAL**

Payroll expenses, Staff retirement gratuity, Employee benefits, Staff recruitment & Hiring / Firing, compliance of HR policies and procedures etc.

- **TREASURY**

Loans, Investments, Finance Cost, Cash in hand etc.

**LETTER OF OFFER**

Bid Reference No. \_\_\_\_\_

Bid for \_\_\_\_\_

To:

**Chief Executive Officer**

Faisalabad Industrial Estate Development &amp; Management Company

1st Floor, FCCI Complex, East Canal Road, Canal Park, Faisalabad

Dear Sir,

1. Having examined the bidding documents, conditions, specifications, etc. we, the undersigned, being a company/firm/individual doing business under the name of and addressed below

\_\_\_\_\_ hereby offer to provide required Internal Audit Services in conformity with the bidding documents at following fee:-

**BID PRICE / FEE SCHEDULE**

Item #	Item Description	Quarterly Fee (Amount in Rs.)	Annual Fee (Amount in Rs.)
1	Pre-Audit of Payments		
2	Post Audit of Revenues & Receipts		
3	Quarterly Review & Report		
4	Daily Travelling Expense of two officials (if any)		
<b>Total Bid Price</b>			
Total Fee (in words) Rupees _____			

**Notes to Price Table:**

1. FIEDMC reserves exclusive rights to increase/decrease the scope of services mentioned in this bidding document prior to acceptance of the bid.
2. We undertake, if our Bid is accepted, to deliver and complete the consignment.
3. We understand that FIEDMC is not bound to accept the lowest or any bid received.
4. We do hereby declare that the Bid is made without any collusion, comparison of figures or arrangement with any other person or persons making a bid for the required items.

5. We undertake, to be bound by all Bid Conditions dated this \_\_\_\_\_ day of September, 2015  
Signature \_\_\_\_\_ in the capacity of \_\_\_\_\_ duly authorized to  
sign bid for and on behalf of \_\_\_\_\_ (Name of Bidder in Block  
Capitals)

**(Company Seal/Stamp)**

**UNDERTAKING/AFFIDAVIT**

1. It is hereby declared that M/s ----- has never been blacklisted / delisted by any government agency, authority or any other regulatory body since its commencement of business; and
2. the details / information provided for Technical Evaluation Criteria is true and complete in all respects; and
3. in any case the information provided found incorrect, FIEDMC would have an exclusive right to reject the bid; and
4. in case of default, I/we on behalf of the firm, undertake to pay penalty @ 50% of bid price to FIEDMC as specified in bidding documents.

For and on behalf of

**Name:**

**CNIC No.:**

**Designation:**