

*Making Tracks Success*



**FAISALABAD INDUSTRIAL ESTATE  
DEVELOPMENT & MANAGEMENT COMPANY**



**BIDDING DOCUMENTS**

**FOR HIRING OF SERVICES OF INTERNAL AUDITORS**

**(Bid Ref. No. Fin./Internal Audit/2019/01)**

**Bid Submission Date and Time** 15<sup>th</sup> November, 2019 1500 Hours

**Technical Bid Opening Date and Time** 15<sup>th</sup> November, 2019 1530 Hours

**November, 2019**





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**1. LETTER OF INVITATION**

**1.1** Faisalabad Industrial Estate Development & Management Company (FIEDMC) (The Company) 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 (Replaced by Companies Act, 2017).

**1.2** FIEDMC invites sealed Technical and Financial proposals for **HIRING OF SERVICES OF INTERNAL AUDITOR** required for one year period (extendable upon satisfactory performance).

**1.3** Reputable Chartered Accountant / Audit Firms having satisfactory QCR Rating from ICAP, affiliation with globally recognized professional bodies and having 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.

**1.4** Detailed eligibility / evaluation criteria and scope of work 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.

**1.5** A **single package containing separately sealed Technical & Financial Proposal**, duly signed, stamped, sealed and in complete conformity with bidding document should reach FIEDMC office, on or before **1500 Hours, 15<sup>th</sup> November, 2019**. 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.

**1.6** 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 by the company.

**1.7** 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 which are not sealed, signed or stamped will not be considered.

**Note:** FIEDMC may reject all the bids or proposals at any time prior to the acceptance of a bid or proposal, as provided under Punjab Procurement Rules, 2014.

**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



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**2. INSTRUCTIONS TO BIDDERS**

**2.1 Governing Rules**

The 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 bidding process.

**2.2 Queries of the Bidders**

Queries of the Bidders (if any) for seeking clarifications regarding the scope of work must be received in writing to the FIEDMC till **8<sup>th</sup> November, 2019**. 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.

**2.3 Compliance of Terms and Conditions**

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

**2.4 Provision of the Services**

Successful bidder shall be responsible for provision of agreed services as per agreed upon procedures at FIEDMC corporate office situated at Faisalabad.

**2.5 Authorized Representative**

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.

**2.6 Bidding Expenses**

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

**2.7 Default Surcharge**

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

**2.8 Rejection / Acceptance of a Bid**

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,



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bidders shall be promptly informed about the rejection of the bids, if any, as envisaged under PPRA Rules, 2014.

**2.9 Acceptance Letter**

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.

**2.10 Payment Procedure**

The firm shall submit bill / request for payment to FIEDMC on monthly / quarterly basis at month/quarter ending as mutually agreed between both the parties.

FIEDMC shall pay the amount due within **Fifteen (15)** days after verification of invoice. Payment shall not be made in advance or against partial deliveries. FIEDMC shall make payment for services rendered in Pak Rupee through a Cross cheque/PO/DD etc.

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.

**2.11 Taxes and Duties**

The firm shall be entirely responsible to bear all taxes and other such levies imposed by the Government. However if, after the date of issuance of acceptance letter by FIEDMC, there is any change in indirect taxes (Punjab Sales Tax etc.) the Client (FIEDMC) will adjust the financial impact of such change at the time of payment.

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.

**3. BIDDING PROCESS**

**3.1 Selection Procedure**

The bidding process will be governed under Punjab Procurement Regulatory Authority Rules, 2014 and the procurement shall be completed in accordance with Rules 38 (2) a, on SINGLE Stage - TWO Envelop procedure (the bid shall be single package consisting of two separate envelopes, containing, separately the **TECHNICAL** and **FINANCIAL** proposal). Separate envelopes shall be clearly marked as "Technical Proposal" and "Financial Proposal".

**3.2 Selection Method**

As per PPRA Rule 45 (3), Quality and Cost Based Selection method will be adopted for the final



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selection of a firm.

### **3.3 Estimated Price**

The annual estimated bid price of the services is Rs. 1.80 Million (Rupees One Million Eight Hundred Thousand Only).

### **3.4 Bid Price**

- 3.4.1 The fee quoted shall be the best / fixed / final until completion of the assignment.
- 3.4.2 The fee quoted by the bidder shall be in Pak Rupees only.
- 3.4.3 Where no prices are entered against any item(s), the price of that item shall be deemed Free of Cost and no separate payment shall be made for that item(s).
- 3.4.4 Upon satisfactory completion of the one year the competent authority may extend the services up to two years with 10% increase in bid price.

### **3.5 Bid Validity**

The bid shall have minimum validity period of **90 days** from the last date for submission of the bid.

### **3.6 Clarification of the Bid**

The FIEDMC shall have the right, at its sole 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.

### **3.7 Correction of Error / Amendment of Bid**

The Bid price as determined after arithmetic corrections (if any) shall be termed as the Corrected Bid Price which shall be binding upon the bidder.

### **3.8 Bid Submitted Late**

The bid(s) submitted late after the deadline for submission of a bid prescribed in these bidding documents will be rejected and returned unopened to the bidder(s).

## **4. TERMS OF REFERENCE (TORs) / SCOPE OF WORKS**

### **4.1 Specific Terms and Conditions**

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

- Internal audit services shall be provided at FIEDMC Corporate Office situated at Faisalabad.
- Successful Audit Firm will depute two officials having at least two years of relevant experience (qualified / part qualified) at FIEDMC office premises who will perform



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the assigned work under supervision of a qualified chartered accountant.

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

### **4.2 Scope of Work**

The successful Bidder will be responsible for the provision of Internal Audit services as laid down by International Standard on Related Services 4400 with following additional services:-

#### **4.2.1 Pre-Audit of payments**

- Pre-Audit of all types of payments required to be made through banks and to sign & stamp the Bank Payments & Cash Payments and related General Vouchers
- To ensure compliance of policies and procedures related to payment
- To ensure compliance of Financial Powers in payment process
- To ensure correctness of accounting transaction in General Ledger System

#### **4.2.2 Post-Audit of Revenues & Receipts**

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

#### **4.2.3 Quarterly Internal Audit**

Quarterly Internal Audit will cover the following five operating cycles:

- Expenses
- Revenues
- Assets & Inventory
- Treasury
- HRM

### **4.3 Tenure of the Services**

The tenure of the services shall be one year extendable up to two years upon satisfactory performance and approval of competent authority.

### **4.4 Termination of Services**



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FIEDMC (The Company) may terminate the services at any time by giving one month prior notice to the service provider and the service provider may also opt the same procedure if so required before completion of contract period.

**5. ELIGIBILITY CRITERIA**

**5.1** Eligible Bidder is a Bidder who meets the following criteria in addition to the provisions as laid down under Companies Ordinance 1984 (Replaced by Companies Act, 2017).

- 5.1.1 Active member firm registered with ICAP with satisfactory QCR Rating.
- 5.1.2 Registered with federal and provincial tax authorities as active taxpayer.
- 5.1.3 Registered on the panel of State of Pakistan (SBP).
- 5.1.4 Having permanent office in Faisalabad.
- 5.1.5 The firm currently engaged for internal audit will not be eligible for this assignment.
- 5.1.6 The firm has not been blacklisted by any of the Federal or Provincial Government Department, Agency, Organization or Autonomous body or Private Sector Organization anywhere in Pakistan. (Submission of undertaking to this effect on legal stamp paper is mandatory).

**6. EVALUATION CRITERIA**

**6.1 Technical Evaluation**

- 6.1.1 70% weightage will be given to Technical Evaluation as detailed below as denoted by “St” in the given formula.
- 6.1.2 The Financial Proposals of only those technically responsive bidders who obtained minimum Sixty Five percent (65%) marks shall be opened.
- 6.1.3 A combined evaluation of the technical and financial proposals will be carried out by weighing and adding the quality and cost scores and a bidder obtaining the highest combined score will be selected for the assignment.

<b>Sr. No.</b>	<b>Parameters</b>	<b>Maximum Marks</b>
1	<b>Number of partners</b> (02 Marks for each partner)	20
2	<b>Number of qualified managers (CA)</b> (excluding partners) (04 Marks for each qualified staff)	20
3	<b>Affiliation with Global Network of firms</b> Big Four = 15 Top Ten = 10 Others = 05 None = 00	15





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4	<b>Staff Strength</b> Above 150 = 15 101-150 = 10 50-100 = 05 Less than 50 = 00	15
5	<b>Audit Experience in same industry (internal audit &amp; External audit)</b> 02 Marks for each engagement per year	15
6	<b>Experience with Public Sector Entities (Internal &amp; External Audit)</b> 01 Mark for each engagement per year	15
<b>Total Marks</b>		<b>100</b>

**6.2 Financial Evaluation**

The Financial Score shall be evaluated by the following formula:

$$Sf = (Fm / F) \times 100 \text{ here,}$$

<b>Sf</b> = Financial Score <b>Fm</b> = Lowest Offered Bid Price <b>F</b> = Bid Price of The Bidder Under Consideration
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6.2.1 30% weightage will be given to financial evaluation as detailed below, hence lowest bidders will obtain total 30 Marks:-

6.2.2 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.

6.2.3 In cases of discrepancy between the fee quoted in Words and in Figures, the lower of the two will be considered.

**6.3 Final Evaluation**

6.3.1 The Final Score shall be calculated by the following formula;

<b>Final Score = (St x 70%) + (Sf x 30%)</b>
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**7. TECHNICAL PROPOSAL LETTER**

Bid Reference No. -----

Date: -----

To:

**Chief Executive Officer**

Faisalabad Industrial Estate Development & Management Company  
1st Floor, FCCI Complex, East Canal Road, Canal Park, Faisalabad

Dear Sir,

1. I/We, the undersigned, offer to provide the **Internal Audit Services** in accordance with your bidding documents dated ----- we are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.
2. Attached to this Technical proposal are copies of original documents as required for technical evaluation clearly specifying;
  - a. Profile of the Firm including Name, Address, Phone numbers, Name, Designation and email ID of authorized representative.
  - b. Registration certificate of Institute of Chartered Accounts of Pakistan (ICAP).
  - c. Copy of Valid NTN & PNTN Registration Certificate.
  - d. Partnership registration certificate with registrar of firms.
  - e. Declaration on stamp paper that the firm has never been blacklisted by any Government department/authority/agency/company.
  - f. Annual financial statements of the firm for the last three financial years.
  - g. List of clients and experience of Govt. / Semi Govt. Organization Audits & Tax Advisory Services etc.
  - h. Copy of certificate with regard to satisfactory QCR Rating of ICAP/SECP.
  - i. Copy of list of approved Auditors having Category "A" or at least Category "B" as per State Bank of Pakistan.
  - j. Other documents as required in the proposal for evaluation purposes.
3. 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. The client and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the statements, documents and information submitted in connection with this application, and to seek clarification from our bankers and clients regarding any financial and technical aspects.



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4. The letter of application will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such information as deemed necessary and requested by the client or its authorized representative in order to verify statements and information provided in this application, or with regard to the resources, experience, and competence of the firm.
5. If negotiations are held during the period of validity of the Proposal, i.e. we undertake to negotiate on the basis of the proposed staff/facilities. Our Proposal is binding upon us and subject to the modifications resulting from Agreement between both the parties.
6. We understand that FIEDMC may reject all the bids or proposals at any time prior to the acceptance of a bid as provided under PPRA Rules, 2014.

Yours sincerely,

Authorized Signature: -----

Name and Designation: -----

Name of Firm: -----

Address: -----

**8. FINANCIAL PROPOSAL LETTER (FINANCIAL BID FORM)**

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

Date: \_\_\_\_\_

To:

**Chief Executive Officer**

Faisalabad Industrial Estate Development & Management Company  
1st Floor, FCCI Complex, East Canal Road, Canal Park, Faisalabad

Dear Sir,

1. Having examined the bidding documents, scope of work and terms & conditions etc. I/we, the undersigned, being a firm doing business under the name of and



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addressed \_\_\_\_\_

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

**BID PRICE / FEE SCHEDULE**

Item #	Item Description	Monthly Fee (Amount in Rs.)	Annual Fee (Amount in Rs.)
1	Lump Sum Remuneration (Including all taxes and Govt. Levies)		
2	Punjab Sales Tax on Services (PST)		
3	Out of pocket expenses (if any)		
<b>Total Bid Price</b>			
Total Annual Bid Price (in words) Rupees _____			

**Notes to Price Table:**

1. FIEDMC reserves exclusive rights to increase/decrease the scope of work mentioned in this bidding document to the extent of 15% of the bid accepted by the bidder.
2. I/We undertake, if our Bid is accepted, to deliver and complete the assignment as per agreed terms and conditions
3. I/We understand that FIEDMC may reject all the bids or proposals at any time prior to the acceptance of a bid as provided under PPRA Rules, 2014.
4. I/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 assignment.
5. I/We undertake, to be bound by all Bid Conditions dated this \_\_\_\_\_ day of November, 2019 Signature \_\_\_\_\_ in the capacity of \_\_\_\_\_ duly authorized to sign bid for and on behalf of \_\_\_\_\_ (Name of Bidder in Block Capitals)

**(Company Seal/Stamp)**



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**9. CONTRACT AGREEMENT**

**THIS CONTRACT AGREEMENT** (hereinafter called the “Agreement”) made on ----- day of -----, 2019 between Chief Executive Officer Faisalabad Industrial Estate Development and Management Company (FIEDMC) 1<sup>st</sup> Floor, FCCI Complex, East Canal Road, Canal Park, Faisalabad (hereinafter called the “Client”) of the one part and M/s ----- (hereinafter called the “Service Provider” of the other part.

WHEREAS the Client is desirous of hiring Internal Audit Services as defined in bidding documents and has accepted a Bid submitted by the Service Provider for the provision of such services as per bidding documents.

NOW this Agreement witnessed as follows:

1. In this Agreement words and expressions shall have the same meaning as are respectively assigned to them in the Conditions of Contract hereinafter referred to
2. The following documents after incorporating addenda, if any, except those parts relating to Instructions to Bidders, shall be deemed to form and be read and construed as part of this Agreement, viz:
  - (a) The letter of Acceptance;
  - (b) Bidding Documents for Hiring of Services of Internal Auditor
3. In consideration of the payment to be made by the Client to the Service Provider as hereinafter mentioned, the Service Provider hereby covenants with the Client to provide the Services in conformity and in all respects within the provisions of the Contract.
4. The Client hereby covenants to pay the Contractor, in consideration of the Services as per provisions of the Contract, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS WHEREOF the parties hereto have caused this Contract Agreement to be executed on the day, month and year first before written in accordance with their respective laws.

**Signature of the Service Provider**

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(Seal)

**Witness:**

-----

**Signature of the Client**

-----

Seal)

**Witness:**

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