



Securities and Exchange Commission of Pakistan

63-NIC Building, Blue Area, Islamabad

(Support Services Division)

(Administration Department)

Subject: Request for Quotation - Investigation of Private Limited Company

The Securities and Exchange Commission of Pakistan invites sealed quotations from the Audit Firms based in Pakistan and registered with Federal Board of Revenue/Respective Revenue Boards for Income Tax and Sales Tax and who are on Active Taxpayers List (Income and Sales tax) of the Federal Board of Revenue/Relevant Tax Authority for:

INVESTIGATION OF PRIVATE LIMITED

Detailed “**Scope of Work**” and “**Terms of Reference**” for the said requirement are attached as Annex “A” and Annex “B”, respectively

Terms & Conditions

- Relevant details plus terms and conditions of the invitation may be obtained from the undersigned personally or by visiting the SECP website: <https://www.secp.gov.pk/procurement/>
- Clarification if any on the requirements may be obtained by emailing at ubaidullah.khalid@secp.gov.pk
- After selection if any service provider is not available on ATL at the time of payment then his payment shall be stopped till he files his mandatory returns and appears on ATL of FBR/respective revenue board.
- Quotation validity period shall be 90 days.
- Services Provider/firm must submit an undertaking on firm’s letter head that the service provider/firm has never been blacklisted by any Government / Semi Government / any regulatory authority/Autonomous organization failing which the quotation shall be rejected.
- Amendments or alterations/cutting etc., in the quotations must be attested in full by the person who has signed the quotations.
- The prices quoted shall correspond to 100% of the requirements specified. The prices quoted by the service provider/firm shall not be adjustable. Changes or revisions in rates after the opening of the quotations will not be entertained and may disqualify the original offer.
- The rates must be quoted strictly in accordance with our documents and Annex(s).
- Discounts (if any) offered by the service provider/firm shall be part of the quotation and for taxation purposes will be treated in accordance with the applicable laws.
- Tax shall be deducted/withheld as per applicable sales tax and income tax law.

- Detail of applicable taxes and whether taxes included or not in the quoted price and breakup of the quoted price shall be clearly mentioned.
- The service provider/firm shall be responsible for payment of any duties/taxes etc. which are imposed by the Government of Pakistan (GOP). The quotation price MUST be inclusive of all applicable taxes. The service provider/firm is hereby informed that the Commission shall deduct tax at the rate prescribed under the tax laws of Pakistan from all payments for supply/services rendered by any responding organization who accepts the Purchase order or signs agreement with the Commission.
- In case applicable taxes have neither been included in the quoted price nor mentioned whether quoted amount is inclusive or exclusive of such taxes, then quoted amount will be considered inclusive of all taxes.
- Price inclusive of quoted tax, quoted by the service provider/firm shall be considered for evaluation irrespective of the tax rate. Service provider/firm quoting lowest price shall be responsible of the quoted tax in its quotation and any demand from tax authorities shall be payable by that service provider/firm.
- Payment shall be made after deduction of taxes.
- Payment shall be made through cross Cheque in Pak Rupees. Taxes will be deducted at source as per Government Rules at the time of payment.
- Quotation Submission Date/Time: As per SECP website.
- Purchase Order: Services will be acquired by issuing a Purchase Order.
- Invoice Processing: Invoices against subject services will be processed for payment after verification by user department.
- SECP reserves the right to cancel this invitation and reject all quotations at any stage of the purchase process.
- **Quotations(s) qualifying all the requirements mentioned in the Scope of Work/TOR's and quoting lowest price shall be selected for the required services.**
- **Interested Service Providers/Firms shall quote a lump sum cost, inclusive of all applicable taxes and costs to complete the investigation** including management, travelling, lodging, supplies/consumables, phone/fax, out of pocket expenses and other miscellaneous expenses. The SECP shall not reimburse any other costs beyond quoted price.

Interested service provider(s)/firm may submit quotation for the above services to the undersigned within the specified period at the following address:

SECP, 4th floor, 63-NIC Building, Jinnah Avenue, Blue Area, Islamabad.

With best regards,

M. Ubaidullah Khalid
Deputy Director (Admin)

SCOPE OF WORK – APPOINTMENT OF INSPECTOR TO CONDUCT AN INVESTIGATION IN THE AFFAIRS OF A PRIVATE LIMITED COMPANY IN TERMS OF SECTION 257 OF THE COMPANIES ACT, 2017

The Securities & Exchange Commission of Pakistan (‘SECP’) invites sealed quotations from Audit Firms for Appointment of Inspectors to conduct an investigation into the affairs of a private limited company located at Shikarpur, Sindh under the provisions of Section 256 of the Companies Act, 2017.

The proposed investigation is likely to commence in the first week of **July / August 2020** and to continue for a period of one month. Please note that the actual time may be extended due to the circumstances of the matter and findings during the course of the investigation.

The firms submitting quotations should fulfill the following criteria:

- i) Satisfactory QCR rated firms from ICAP;
- ii) Satisfactory quality rated firms from ICMAP;
- iii) Experience in audit of public listed and unlisted companies based in Pakistan;
- iv) Expertise in property valuations and market research of property with related laws;
- v) Well equipped with investigative skills and tools of forensic accounting;
- vi) Understanding of evidence qualities admissible / required in white-collar court proceedings; and
- vii) Having an expertise in regulatory framework applicable to public unlisted companies.

The qualified firms and individuals are hereby requested to respond to the SECP as per published deadline for quotation submission confirming your availability for this exercise and state the name of the Qualified Accountant the Firm will depute in this regard.

Note: Service Providers/Firms are required to mention the exact page number of relevant documents submitted against this RFQ.

Terms of Reference (ToRs) for Investigation:

1. Ascertain the extent of virtual control, if any, taken over by directors (*individuals having 75% shareholding*), and how the other director (*individual having 25% shareholding*) were excluded from directorship / Board of Directors (*‘BoDs’*) of the Company. Inspectors are to identify the provisions of applicable laws, which were violated due to the act of the controlling management (*individuals having 75% shareholding*);
2. Whether exclusion of a director (*individual having 25% shareholding*) by the controlling management (*individuals having 75% shareholding*) was made in accordance with the requirements of the provisions of all applicable laws, if not, identify the provisions of applicable laws, which were violated by the controlling management (*individuals having 75% shareholding*);
3. Whether, when the individual having 25% shareholding was on BoDs, actively participated in decision making of the Company in both the Board and General meetings. Inspectors are to identify the provisions of applicable laws, which were violated due to the acts of the controlling management (*individuals having 75% shareholding*);
4. Ascertain the Company’s compliance of the applicable provisions of the repealed Companies Ordinance, 1984 (*‘Repealed Ordinance’*) [now Companies Act, 2017 (*‘Act’*)] or any other applicable law since year 2010 w.r.t.:
 - a. holding of annual general meeting and board meeting, including but not limited to timely provision of notice of meeting, annual audited accounts, minutes of meeting, quorum, proxy etc.;
 - b. holding of election of directors and appointment of Chief Executive Officer;
 - c. appointment of auditors;
 - d. maintenance of books of accounts;
 - e. preparation of financial statements / accounts and its due approval from the BoDs / shareholders of the Company;
 - f. maintenance of other statutory books/registers for e.g. minutes books, register of members, register of directors, register of mortgage and charge;
 - g. transfer/transmission of shares during the period in terms of requirements of law;

The Inspectors are required to identify specific provisions of applicable laws that the Company has violated;

5. Ascertain the compliance of filing of statutory returns including the annual audited financial statement to the Registrar by the Company during the last ten years and specify provisions of applicable laws that have been violated. Also assess / review the filed statutory returns / financial statements / accounts during the last ten years with Registrar and specify provisions of applicable laws that have been violated;
6. Ascertain the current shareholding and directorship of the Company and whether the same has duly been notified to the registrar in accordance with the provisions of the applicable laws? Identify specific provisions of applicable laws that the Company has violated;
7. Whether any dividend has been announced by the Company since incorporation and was paid to all shareholders of the Company in a timely manner and in accordance with the applicable provisions of laws. Identify specific provisions of applicable laws that the Company has violated;

8. Whether the Company since 2010 obtained all loans from financial institutions (FIs) / any other entity / individuals after complying with the requirements of applicable laws / due approvals from BoDs / shareholders and these liabilities of the Company were duly accounted for in the financial statements / accounts. Identify specific provisions of applicable laws that the Company has violated;
9. Whether the controlling management (*individuals having 75% shareholding*) has executed a bona fide sale agreement of assets of the Company with its lawful buyer and verify receipt of sale consideration and actual beneficiary thereof. Identify specific provisions of applicable laws that the Company has violated;
10. Whether any possession letter of the assets / property of the Company was issued to the buyer after due approval of the BoDs and its all shareholders? If so, whether the issuer was authorized to do so under specific authority of the board of directors / shareholders? Identify specific provisions of applicable laws that the Company has violated; and
11. Whether the amount of sale consideration of the Company assets / property was duly received by the Company and distributed to its shareholders in proportion to their respective shareholding after complying all formalities / approvals of applicable laws / BoDs / shareholders. Identify specific provisions of applicable laws that the Company has violated.

DOCUMENTARY EVIDENCE

Name of the Service Provider/Firm: _____

Quotation against Reference No: _____

Documentary evidence for determining eligibility of the service provider/firm & evaluation of quotations. Service Provider/Firm should only initial against those requirements that they are attaching with the form. **Service Providers/Firms are required to mark page number on each page of the quotation and mention the exact page number of relevant documents in the table below.** Service provider(s)/firm(s) are advised to attach all supporting documents with this form in the order of the requirement.

S#	Required Documentation	Signature of Service Provider/Firm	Supporting Document's Name	Page Number in the quotation.
1	NTN Certificate			
2	GST Certificate			
3	On Active Tax Payers List of F BR			
4	Undertaking on Letter head (Blacklisting)			
6	Quotation Validity period of 90 days			
7	Copy of RFQ (All pages) duly signed/stamped			