



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

T# 11/21-22

Invitation to Bid

The Securities & Exchange Commission of Pakistan invites sealed bids 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:

Appointment of External Auditor

Bidding documents containing detailed terms and conditions, method of procurement, procedure for submission of bids, bid bond/security, bid validity, opening of bid, evaluation criteria, clarification/rejection of bids etc. against above requirement are available for the interested bidders from the undersigned free of cost and can also be downloaded from <https://www.secp.gov.pk/procurement/>

The bids prepared in accordance with the instructions in the bidding documents, must reach undersigned on or before **February 24, 2022 by 1100Hrs** and will be opened on the same day at **1130Hrs**.

In case of any query, Admin Department may be contacted on Telephone No. 051-9195302/051-9195437 during office hours (Monday to Friday excluding Public Holidays)

Zahid ul Hassan, Deputy Director (Admin)
NICL Building, 63 Jinnah Avenue, Blue Area Islamabad

Terms and Conditions for Bids and Bidders

1. Tender Identification Number: **Tender # 11 /21-22**
2. The Procurement Agency is:

Securities and Exchange Commission of Pakistan
4th Floor, NICL Building, 63 Jinnah Avenue, Blue Area,
Islamabad.

3. The Securities and Exchange Commission of Pakistan invites sealed bids 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

APPOINTMENT OF EXTERNAL AUDITOR

through

SINGLE STAGE TWO ENVELOP METHOD.

4. Bids shall comprise a single package containing TWO separate envelopes. Each envelope shall contain separately the financial Bid and the technical Bid. The envelopes shall be clearly marked as **“FINANCIAL BID”** and **“TECHNICAL BID”** in bold and legible letters.
5. **The Bid Bond to be enclosed sealed and labelled as “BID BOND”, and should be with the Technical bid envelop, failing which the bid shall be rejected.**
6. **BID Bond should not be placed within the envelope of financial bid/proposal.**
7. Initially, only the envelope marked **“TECHNICAL BID”** shall be opened publicly. The envelope marked as **“FINANCIAL BID”** and **Bid Bond** shall be retained.
8. Bids not accompanied by bid bond/security as required or with less amount of bid bond/security will be rejected.
9. After the evaluation and approval of the technical bid, financial bids and their bid bonds of the technically accepted bids only will be opened at a time, date and venue announced and communicated to the bidders in advance. Financial bids and the bid bonds of technically unsuccessful bidder will be returned.
10. The amount of the bid and bid bond/security shall be in Pak rupees. The bids should be accompanied by bid bond/security (refundable) for an amount equal to **2%** of the total quoted price (inclusive GST, if applicable) in shape of either pay order, demand draft in favor of Securities and Exchange Commission of Pakistan. **Cheque will not be acceptable.**
11. Only registered service providers who are on Active Taxpayers List (Income and Sales Tax) of FBR are eligible to provide services to the Commission. **Bids of all those bidders who are In-Active on ATL on the date of bid opening shall be rejected.**
12. After selection if any supplier 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.
13. Tax shall be deducted/withheld as per applicable sales tax and income tax law.

14. 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/>
15. Clarification if any on the requirements may be obtained by emailing at ubaidullah.khalid@secp.gov.pk
16. SECP reserves the right to cancel this invitation and reject all bids at any stage of the bidding process.
17. The bid validity period shall be 150 days.
18. If the bid is withdrawn after bid opening time and before the expiry of bid validity the bid bond/security will be forfeited in favor of the SECP, Islamabad.
19. The language of the bid is English and alternative bids shall not be considered.
20. Amendments or alterations/cutting etc., in the bids must be attested in full by the person who has signed the bids.
21. The prices quoted shall correspond to 100% of the requirements specified. The prices quoted by the bidder shall not be adjustable. Changes or revisions in rates after the opening of the bids will not be entertained and may disqualify the original offer.
22. The rates must be quoted strictly in accordance with our documents and Annex(s).
23. Discounts (if any) offered by the bidder shall be part of the bid and for taxation purposes will be treated in accordance with the applicable laws.
24. Detail of applicable taxes and whether taxes included or not in the quoted price and breakup of the quoted price shall be clearly mentioned.
25. The bidder shall be responsible for payment of any duties/taxes etc. which are imposed by the Government of Pakistan (GOP). The bid price MUST be inclusive of all applicable taxes. The bidder 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.
26. 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.
27. **Price inclusive of quoted tax, quoted by the bidder shall be considered for evaluation irrespective of the tax rate. The Most Advantageous Bid(der) shall be responsible of the quoted tax in its bid and any demand from tax authorities shall be payable by that bidder.**
28. Selected service provider will have to provide the required services, if selected and declared as Most Advantageous Bid(der). In case selected bidder is not willing to supply on quoted amount then bid bond/security submitted with the bid will be forfeited in favor of the Commission.
29. SECP will sign engagement letter with successful audit firm for each year. Invoice against subject services will be processed for payment after issuance of audit report and internal control memorandum each year.

30. Successful bidders shall be bound to provide the required audit report within the delivery period.
31. In case 1st Most Advantageous Bid(der) is unable to supply ordered items/services then the Commission reserve the right to award the contract to 2nd Most Advantageous Bid(der). In case Most Advantageous Bid(der) is unable to supply ordered items/services then the Commission reserve the right to award the contract to 3rd Most Advantageous Bid(der).
32. Bid bond/security of the bidder who is unable to supply ordered services shall be forfeited in favor of the Commission.
33. Bids from any bidder who is found or purported to be engaged or under investigation for offences related to fraud, under-invoicing, tax evasion, concealment, money laundering etc. shall be rejected without assigning any reason.
34. Bidder must have regular place of business, telephone numbers and email address and must provide proof of their existence in the particular business. A brief profile of the bidder, along with list of major customers (corporate sector) along with their contact details is required.
35. Bidder must submit the undertaking as per format prescribed in relevant Annexure, failing which the bid shall be rejected.
36. In case any bidder is found in the list of “Blacklisted Firms-Pakistan” or related links at <https://www.ppra.org.pk/> then its bid shall be rejected.
37. Payment shall be made after submission of audit report and internal control memorandum .All payments shall be made after deduction of taxes and all payments shall be made through cross Cheque in Pak Rupees. Taxes will be deducted at source as per Government Rules at the time of payment.
38. The bid bond/security of successful bidder will be retained and returned after completion of audit. However, bid bond/security of unsuccessful bidders will be returned after award of contract to successful bidder.
39. During the retention period the bid bond/security, no interest / markup will be provided on this amount by Commission to bidder at the time of refund/release of bid bond/security.
40. The bids received after the due date and time will be rejected.
41. It is of utmost importance that bids should be submitted very carefully and the instructions set forth above, scrupulously complied with, failing which the offer will be rejected.
42. The bidders do not have the option of submitting their bids electronically. Telegraphic and conditional bids will not be accepted.
43. Unsealed bids will not be accepted.
44. **Sealed bids may be dropped in the tender drop box placed at Ground Floor of the NIC Building, 63 Jinnah Avenue, Islamabad.**
45. The place of bid destination is:

Securities and Exchange Commission of Pakistan,
NICL Building, 63 Jinnah Avenue, Blue Area, Islamabad.

46. The envelopes shall bear the following additional identification marks:

Bid for: : **Appointment of External Auditor**
Bidder Name: : XYZ
Attention : Zahid ul Hassan
Deputy Director, Admin,
4th Floor, NICL Building, 63 Jinnah Avenue Blue Area,
Islamabad

47. The deadline for the submission of bids is:

Date: February 24, 2022

Time: 1100Hrs

48. The bid opening shall take place at

Securities and Exchange Commission of Pakistan NICL Building, 63 Jinnah Avenue, Blue Area, Islamabad

Date: February 24, 2022

Time: 1130Hrs

A statement “**Not to be opened before 1130Hrs on February 24, 2022**” shall be clearly mentioned on the top of the sealed bid.

Note: Attachment Details are as under:

1.	Scope of Work	Annex “A”
2.	Evaluation Criteria	Annex “B”
3.	Documentary Evidence	Annex “C”
4.	Financial Bid Submission Form	Annex “D”
5.	Format of Affidavit/Undertaking	Annex “E”

If the above terms and conditions are acceptable then bids must be submitted well in time and according to the requirements.

Scope of Work - Appointment of External Auditor

The overall scope includes the audit for the financial year 2021-22 for below entities. The SECP will sign engagement letter with successful bidder. The engagement will be for the audit of financial statements for the year ended on 30 June 2022, subject to approval of competent authority.

1. Statutory Audit of Securities and Exchange Commission of Pakistan (SECP)
2. Annual audit of SECP Provident Fund Trust
3. Annual audit of SECP Gratuity Fund Trust
4. Annual audit of SECP Employees Pension Fund Trust
5. Annual audit of SECP Employees Welfare Trust

The selected audit firm shall conduct the audit in accordance with International Standards on Auditing as adopted by ICAP and any other applicable regulations and standards.

In case of SECP, auditor's report is required to be submitted by the first week of September each year, following the end of financial year, and in case of all Trusts, by the end of first week of November each year, following the end of financial year. The successful audit firm along with audit report will also submit Internal Control Memorandum/Management letter.

The complete financial record will be available in Head Office Islamabad.

1. INSTRUCTIONS TO AUDIT FIRMS

Documents to be attached as part of the Technical Bid

S. No.	Documents Description/Requirement Detail
1.	Brief Profile of the Firm
2.	Registration Certificate of Audit Oversight Board
3.	Copy of NTN and GST Registration
4.	List of partners in the firm within Pakistan, with their ICAP registration number in a format as prescribed in Annexure-I to this invitation
5.	List of Qualified Chartered Accountants employed (other than partners) in the Firm within Pakistan, with their ICAP registration numbers, in a format as prescribed in Annexure-II to this invitation.
6.	List of Government organizations audited in the last 5 years, in a format as prescribed in Annexure-III to this invitation.
7.	List of Regulatory Organizations audited in last 5 Years, in a format as prescribed in Annexure-IV to this invitation.
8.	Copy of certificate of international affiliation
9.	Names and addresses of office including key contact person.

Technical and Financial Evaluation

(A) Initial Screening/MUST Requirements:

The following documents/certificates are the pre-requisite and may be used to initial screening. The Audit Firm will go in the next stage i.e. technical evaluation, if it fulfills all the requirement of initial screening which are as under:

1. The firm must be on the panel of auditors maintained by State Bank of Pakistan;
2. The firm must have affiliation with one of the global audit firms;
3. Declaration that the firm is compliant of IFAC Guidelines and Code of Ethics as applicable in Pakistan;
4. Certificate of Registration with Audit Oversight Board;
5. The firm must be registered with FBR and must provide tax registration certificates;
6. The firm must submit an affidavit that there are no material proceedings against the firm in SECP, ICAP, AOB, any law enforcement agency or any court of law etc. Detail of such proceedings if any, must be provided along with the bid.

Note: Bid(s) found in compliance with Initial Screening/MUST requirements shall ONLY be considered for technical evaluation.

(B) Technical Evaluation: The firm cleared from initial screening will be evaluated as per following criteria:

1. Number of Partners
2. Number of qualified Accountants employed by the firm
3. Experience of Govt. Organization's Audits
4. Experience of Audit of Regulatory Organizations
5. Location of Office

1. Number of Partners	Total Marks	Number of Partners	Marks
No. of Partners in the firm within Pakistan (Provide detail as per Annex-1 to this Invitation)	30	FCA 4 Marks per person	Maximum 30 Marks
		ACA 2 Marks Per person	
2. Number of Qualified Accountants	Total Marks	Number of Staff	Marks
No. of Qualified Accountants employed, other than partners in the firm within the Pakistan (Provide detail as per Annex-II to this invitation)	25	FCA/ACA 3 Marks per person	Maximum 25 Marks
		Members of ACCA /CIMA/ACMA/ICAEW 2 Marks per Member	
3. Govt. Audit Experience	Total Marks	No. of Organizations	Marks
Experience of Government Organization's* Audit in last 5 years (other than retirement funds)	20	2-5	10
		6-10	15
		11 & above	20
4. Audit Experience of Regulator	Total Marks	No. of Organizations	Marks
Audit Experience of Regulatory Organizations in last 5 years	20	1-3	10
		4 & above	20
5. Offices	Total Marks	Range of Partners	Marks

Office in Islamabad/Rawalpindi	5	Office in Islamabad/Rawalpindi	5
		No office in Islamabad	0
Total Marks Obtained out of 100			

**Government Organization's includes public sector entities*

Note:

- *Bid(s) found in compliance with Initial Screening/MUST requirements and securing less than minimum 60% marks i.e. less than 60, in technical evaluation shall NOT be considered for financial evaluation.*
- *Bid(s) found in compliance with Initial Screening/MUST requirements and securing minimum 60% marks i.e. 60 or above, in technical evaluation shall ONLY be considered for financial evaluation and formula for determining the Technical Score is as under:*

Technical Score (T) = 70% x Marks Obtained in Technical Evaluation out of 100

(C) Financial Evaluation:

- *Bid(s) found in compliance with Initial Screening/MUST requirements and securing minimum 60% marks i.e. 60 or above, in technical evaluation shall ONLY be considered for financial evaluation and formula for determining the Financial Score is as under:*

Financial Score (F) = ((Lowest quoted price / Firm's price under evaluation) x 100) x 30%

(D) Final Scoring

The Formula for determining the Final Score is as under:

Total Score = Technical Score (T) + Financial Score (F)

Note: As per section 25 (3) of the Securities and Exchange Commission of Pakistan Act, 1997 ("SECP Act 1997"), auditor of SECP appointed by the Federal Government.

DOCUMENTARY EVIDENCE

Name of the Bidder: _____

Bid against Reference No: _____

Date of opening of Bid: _____

Documentary evidence for determining eligibility of the bidders & evaluation of bids. Bidders should only initial against those requirements that they are attaching with the form. **Bidders are required to mark page number on each page of the bid and mention the exact page number of relevant documents in the table below.** Bidders are advised to attach all supporting documents with this form in the order of the requirement.

S#	Required Documentation	Signature of Bidder	Supporting Document's Name	Page Number in the Bid.
1	NTN Certificate			
2	GST Certificate			
3	On Active Tax Payers List of FBR			
4	International Affiliation Certificate			
5	Undertakings (Blacklisting)			
6	Bid Bond/Security			
7	Bid Validity period of 150 days			
8	Bidding document duly signed and stamped.			
9	AOB Registration Certificate			
10	Authorized Contact Number and Email Address for correspondence			

FINANCIAL BID SUBMISSION FORM
FOR THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

PRICE SCHEDULE

The bidder shall complete the matrix below by providing prices for the services to be provided under this invitation. The resulting contract shall be a fixed price.

	Year	Securities and Exchange Commission of Pakistan	SECP Provident Fund Trust	SECP Employees Pension Fund Trust	SECP Gratuity Fund Trust	SECP Employees Welfare Fund Trust	
Detail of Audit Fee	Amount in Pak Rupees						Total
Audit Fee	2021- 22						
Out of Pocket Expenses							
Sales Tax							
Total							*Grand Total

***Grand total of quoted amounts for the year will be considered for financial evaluation.**

***The above fixed price includes all costs to complete the audit** including management, travel to the SECP's head office, lodging, supplies/consumables, phone/fax, out of pocket expenses, cost of actuarial valuation and other miscellaneous expenses. The SECP shall not reimburse any other costs beyond this fixed price. All the financial record is available in Head Office, Islamabad.

Note:

Bidder shall submit the bid security against the Grand Total.

Format of Affidavit/Undertaking

Bidder must submit following undertaking (on stamp paper of Rs.100), failing which the bid shall be rejected

- a) I, Mr. S/o..... holding CNIC # from M/s Having Its business office at, do hereby solemnly affirm and declare as under;
- b) That M/s is not engaged, under investigation or offences or no proceedings are pending before FBR, Customs, NAB, any Judicial form, FIA or any other Govt. authority with respect to fraud, terror financing, money laundering etc.
- c) We also confirm that our firm has not been black listed by any National/International organization or forum and its entitled to carry out its business activities to the standard business ethics.
- d) That the Partner(s) / Officers of M/s..... have not been subject to financial crime. Nor they every compounded with their creditors in any capacity.
- e) The above statement is true to the best of my knowledge and belief and nothing has been concealed or is false.

Note: In case bidder is found in the list of “Blacklisted Firms-Pakistan” or related links at <https://www.ppra.org.pk/> then its bid shall be rejected

Name:	
Signature	
Stamp:	

Annexure-I

LIST OF PARTNERS (ONLY CHARTERED ACCOUNTANTS) IN THE FIRM
WITHIN PAKISTAN

S No.	Name	ICAP membership No.	ACA/ FCA	Tax Partner/Audit Partner/Others	Office

Authorized Signature:

Name and Title of Signatory:

Annexure-II

LIST OF QUALIFIED ACCOUNTANTS EMPLOYED (OTHER THAN PARTNERS)

Sr. No.	Name	Membership/Registration No.	ACA/FCA/Member of CIMA/ICMA/ACCA	Designation	Office.

Authorized Signature:

Name and Title of Signatory:

PUBLIC SECTOR AUDITS (DURING LAST FIVE YEARS)

Sr. No.	Name of Organization	Audit Year	Nature of assignment

Authorized Signature:

Name and Title of Signatory:

REGULATORY ORGANIZATIONS AUDITS DURING LAST 5 YEARS

Sr. No.	Name of Organization	Audit Year	Nature of assignment

Authorized Signature:

Name and Title of Signatory: