

GALIYAT DEVELOPMENT AUTHORITY GoKP ABBOTTABAD



REQUEST FOR PROPOSAL (RFP)

FOR

HIRING OF EXTERNAL AUDIT FIRM FOR FY 2019-20, 2020-21 and 2021-22

Oct 24, 2022

Table of Contents

INSTRUCTIONS TO BIDDERS.....	1
A: INTRODUCTION & PROJECT BRIEF	2
1. OPERATIVE LAW / REGULATION	3
2. SCOPE OF SERVICES	4
3. DURATION OF CONTRACT.....	5
4. COST OF BIDDING	5
5. RFP DOCUMENTS.....	5
6. JOINT VENTURE OR CONSORTIUM	5
7. AMENDMENT OF RFP DOCUMENTS	6
B: PREPARATION OF BID	
8. LANGUAGE OF BID.....	6
9. DOCUMENTS COMPRISING THE BID (CHECKLIST)	6
10. BID PRICES	6
11. ELIGIBILITY AND QUALIFICATION CRITERIA	7
12. BIDDING PROCESS	8
13. INSTRUCTIONS/ GENERAL CONDITIONS	8
14. BID SECURITY AND VALIDITY PERIOD	8-9
C: TECHNICAL PROPOSAL & FINANCIAL PROPOSAL	
15. TECHNICAL BIDS EVALUATION	9
16. TECHNICAL BIDS EVALUATION CRITERIA	9-10
17. FINANCIAL BID	11
D: AWARD OF CONTRACT	
18. CONTRACT AWARD PROCES	11
19. PAYMENT TERMS	12

DISCLAIMER

The information contained in this RFP document or subsequently provided to Bidders, whether verbally or in documentary form by or on behalf of Galiyat Development Authority (GDA) or any of its employees or advisors, is provided to Bidders on the terms and conditions set out in this RFP document and any other terms and conditions subject to which such information is provided. This document is being issued by the Authority for selection of an individual/firm/consortium/joint venture for hiring of an external audit firm for the financial years as mentioned in this document.

Interested Bidders are required to submit their bids to implement the Project. This document is not an agreement and is not an offer or invitation to any other party. The purpose of this document is to provide the Bidders with information to assist the formulation of their Proposal submission and understanding about the assignment. This document does not sense to contain all the information each Bidder may require. While the RFP document has been prepared in good faith with due care and caution, the Authority does not accept any liability or responsibility for the accuracy, reasonableness or completeness of the information, or for any errors, omissions or mis-statements, negligent or otherwise, relating to any other reference document mentioned, implied or referred herein or pertaining to the assignment.

This document may not be appropriate for all persons. Each recipient must conduct its own analysis of the information contained in this RFP document or to correct any inaccuracies therein that may appear in the RFP document and is advised to carry out its own investigation into the proposed project, the legislative and regulatory regimes which applies thereto and by and all matters pertinent to the proposed project and to seek its own professional advice on the legal, financial, regulatory and taxation consequences of entering into any agreement or arrangement relating to the Project.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its bid/ Proposal. No reimbursement of cost of any type will be paid to persons, or entities, submitting a bid/Proposal.

INSTRUCTIONS TO BIDDERS

B. INTRODUCTION:

The Galiyat Development Authority (GDA) an autonomous body set up by the Government of Khyber Pakhtunkhwa under GDA amended Act 2020. The Galiyat Development Authority was established on 8th June 1999 as a succession body of Hazara Hill Tract Improvement Trust (HHTIT) under GDA act of 1996. Among its various objectives, the most important ones are to promote tourism in Galiyat, project a tourist-friendly image of the country across the world and build infrastructure for tourists and locals in the Galiyat region. The mission of GDA is to create an enabling environment for Pakistan's tourism industry by providing world-class facilities that

commensurate with our rich cultural heritage, rare archaeological treasures and exquisite environmental beauty in close partnership and coordination between the public and the private sector while preserving and protecting our cultural and moral values and projecting the tourist.

The word Galiyat is the plural of the Urdu word 'Gali', which means an alley between two mountains on both sides of which there are valleys. Many of the towns in the area have the word Gali as part of their names. These are popular summer-holiday destinations in Pakistan.

The Galiyat region is strategically located between the Northern Areas, Azad Kashmir, Punjab and the rest of the Khyber Pakhtunkhwa. Hill stations collectively known as the Gallis. Every year millions of domestic and foreign tourists visit Galiyat Region and enjoy its cool and serene valleys during sizzling summers.

The region of Hazara is unique on our planet, as opens up to visitors, a world replete with natural beauty. It was a favorite gateway from the plains into Kashmir during Mughal, Durrani and Sikh rules. It is a large area some 10,000 sq. km. The world famous Kara Kuram Highway starts from Havelian, a town in this region at a distance of 101 km from Islamabad. The mighty "Lion River" Indus or Abasin flows through the entire length of Hazara.

On the Southern region of Galiyat lies the Pakistan's famous hill station, Muree. Since the region is located in between the Muree and Abbottabad; the influx of tourists visiting Muree who further plan to explore the Galiyat region on their onward travel to upper Northern Areas of Naran, Kaghan and is hence visited by thousands of people, round the year through the only Muree-Abbottabad Road. The region is blessed with extravagant natural scenery, pleasant to cool summer and crispy cold winter, with a relatively good snow fall. Due to its strategic location and favorable temperature, many academic institutions and organizations have established their remote summer campuses or resorts in this region.

This region has gone through a rapid transformation and area is witnessed exceptional changes in the last few years through massive infrastructural development and beautification projects carried out by the Galiyat Development Authority.

Galiyat is one of the most attractive tourist destinations of Khyber Pakhtunkhwa Province which is a gate way to the tourism industry of Khyber Pakhtunkhwa. The Nathia Gali is one the famous town of Galiyat besides Dunga Gali, Thandiyan, Ayubia, Khanispur, Changla Gali and Khaira Gali.

1. OPERATIVE LAW / REGULATION

1.1 Khyber Pakhtunkhwa Public Procurement Regulatory Authority Rule 2014 vides section 23 and Galiyat Development Authority amended Act 2016 section 22.

2. SCOPE OF SERVICES

2.1 External Audit of the Galiyat Development Authority (GDA) for the Financial Year 2019-20, 2020-21 and 2021-22 in accordance with International Accounting Standards (IAS)/

International Financial Reporting Standards (IFRS) / International Standards on Auditing (ISA) and as per the provision of the Galiyat Development Authority under GDA Act or as per applicable patterns and procedures in Government Organizations and other relevant applicable Laws.

2.2 Any adjusting entries required to be made and modification of already prepared final accounts as per relevant Rules & Regulations (if any).

2.3 Any other matter in compliance of standards as applicable in Pakistan.

3. DURATION OF CONTRACT

3.1 The contract shall be valid for one year, however, the bidder shall be required to complete the assignment within six months (06 months). The competent Authority of GDA may extend the contract for future audits with revised fee and terms and conditions subject to the availability of rules and approval from the Board of Authority (BoA) of GDA.

4. COST OF BIDDING

4.1 The bidder shall bear all costs associated with the preparation and delivery of his bid, and Galiyat Development Authority (GDA) will in no case be responsible or liable for those costs.

5. RFP DOCUMENTS

5.1 The bidders should examine the contents of this document carefully. Failure to comply with the requirements of bid submission may lead to rejection of bid and disqualification of bidder.

6. CLARIFICATION OF RFP DOCUMENTS

6.1 The prospective bidder requiring any further information or clarification of the RFP documents may request PECPL in writing or by e-mail or by visiting at the following address prior to seven (7) days of the submission of bid date:

Name and address of Procuring Entity:

- Galiyat Development Authority (GDA), 2nd Floor, ZTBL Building Mansehra Road Abbottabad.
- Name and Contact number of officer concerned: Babar Hanan Abbasi, Assistant Director Projects, 0343-9489841

7. ONE BIDDER ONE BID

7.1 Each bidder shall submit only one bid either by himself, or as a partner in a joint venture. A bidder who submits or participates in more than one bid will be disqualified.

8. JOINT VENTURE OR CONSORTIUM

A prospective bidder applying for the project under Joint Venture (JV) or consortium must submit a proper JV/consortium agreement clearly indicating Lead partner and other JV/consortium partners' roles.

9. AMENDMENT IN THE RFP DOCUMENTS

9.1 At any time prior to the deadline for submission of bid, Galiyat Development Authority (GDA) may, for any reason, whether at its own initiative or in response to a clarification requested by the prospective bidder, modify the RFP documents by amendment(s).

9.2 The amendment(s) shall be part of the RFP document and shall be notified in writing, e-mail, or fax or by posting on GDA's website to all the prospective bidders who have received the RFP documents, and will be binding on all.

9.3 In order to facilitate the prospective bidder reasonable time to consider the amendment in preparing its bid, GDA may, at its discretion, extend the deadline for the submission of bid.

B: PREPARATION OF BID

10. LANGUAGE OF BID

10.1 The bid prepared by the bidder and all other correspondence and documents whatsoever relating to the bid exchanged by the bidder and GDA shall be written in the English language.

11. DOCUMENTS COMPRISING THE BID (CHECKLIST)

11.1 The bid prepared by the bidder shall be accompanied by the following documents:

- I.** Covering Letter from the bidder.
- II.** Profile of the company/JV.
- III.** Relevant experience documents and certificates.
- IV.** Tender Documents duly signed & stamped on each page by an authorized official.
- V.** Contact Detail of focal persons.
- VI.** Financial bid to be quoted on Company letter head duly signed & stamped.
- VII.** Proof of valid and active NTN registration.
- VIII.** Proof of valid and active KP Revenue Authority registration.
- IX.** Copy practicing license to provide External Audit Services as per the requirement of Company Act 2017.
- X.** Authority Letter, Company representative duly signed and stamped.
- XI.** A non-default and blacklisting certificate, on a stamp paper of Rs. 200/- duly signed by the authorized signatory.
- XII.** Registration with Institute of Chartered Accountants of Pakistan (ICAP).

12. BID PRICES/FINANCIAL BID & BID CURRENCY

12.1 The bidder shall complete the Bid in accordance with the instructions given in this document. The prices shall be considered to be on the basis of TORs quoted in the bid and will be inclusive of Terms of References as mentioned in this document.

12.2 The bid amount quoted in the bid for “**Appointment of External Audit Firm**” should be in word and figure form and **inclusive of all kind of applicable taxes and out of pocket expenses.** In case of any clarification or doubt, the amount quoted in words shall be preferred.

12.3 In case of claiming Tax exemption, the requisite tax exemption certificate shall have to be provided by the bidder along with the bid documents, failing which the claim shall not be entertained. The tax exemption certificates shall be attached with the financial bid.

12.4 The unit rates and the prices shall be quoted by the bidder in Pak rupees.

13. ELIGIBILITY & QUALIFICATION CRITERIA

Bidders must comply with the following clauses:

13.1 The Bidder must be a Chartered Accountant Firm.

13.2 Bidders shall submit copy of Form-C issued by Registrar of Firms.

13.3 The Bidder must be registered with FBR for the purposes of Sales Tax and Income Tax and must be an Active Taxpayer (verifiable through ATL) on the date of bid submission as well as throughout the period of appointment in compliance of the Eligible Bidders (Tax Compliance).

13.4 Firm should be registered with ICAP along with valid license of practice and should have active membership.

13.5 Firm should have satisfactory QCR rating as per latest list issued by ICAP with minimum of five Chartered Accountants as partners.

13.6 Firm should have Audit Oversight Board registration.

13.7 The Bidder shall provide an undertaking on stamp paper of Rs. 100 duly attested by the Oath Commissioner that the Bidder has not been blacklisted by any Government/Semi-Government institution. (Date of affidavit shall be between tender notice & last date of submission of bids).

13.8 GDA shall not entertain incomplete or partial bids.

BIDDING PROCESS

- 14.1** A Chartered Accountant Firm will be selected after an open, competitive and transparent bidding process in accordance with Khyber Pakhtunkhwa Public Procurement Regulatory Authority (KPPRA).
- 14.2** A Single Stage, Two Envelopes procedure shall be opted under KPPRA Procurement Rules, 2014. (Quality and cost based selection)
- 14.3** The bid shall comprise of a single package containing two separate proposals i.e., Technical and Financial Proposal.
- 14.4** The proposals shall be marked “FINANCIAL PROPOSAL” and “TECHNICAL PROPOSAL” in bold and legible letters to avoid confusion. The Technical Proposal will be opened on the date and time mentioned in the tender document in the presence of representatives of Prospective Bidders (if any), and Financial Bids will be opened after completion of Technical Evaluation, for which date & time will be communicated separately.
- 14.5** The prospective Bidder will be entitled to download or receive detailed RFP documents / information package from GDAs official website i.e., www.gda.gkp.pk against payment of PKR 3000/- in the form of cash or Bank draft (the bidder will be required to attached/submit bank draft at the time of submission of technical proposal in case bidder downloads the document form website)

15. INSTRUCTIONS /GENERAL CONDITIONS

- a.** The bidder will be selected after an open, competitive and transparent bidding process in view of KPPRA Procurement Rules, 2014.
- b.** Proposals shall be submitted in English language.
- c.** All prices mentioned in the Financial Proposal shall be in Pak Rupees (PKR).
- d.** Each page of the Technical and Financial Proposal shall be signed by an authorized representative of the Bidder. The representative’s authorization shall be confirmed by letter of authorization on the official letter head of the firm duly signed by local partner accompanying the proposal.
- e.** All clarifications will be communicated to the registered Bidders through email/letter and shall be uploaded on the GDA website.
- f.** GDA may reject all bids or proposals at any time prior to the acceptance of a bid or proposal, as per KPPRA Procurement Rules, 2014.

16. BID SECURITY & VALIDITY

- a. A bid security in the form of Bank draft in the name of Director General GDA equivalent to two percent (02%) of quoted bid value must be **attached (sealed)** with Technical Proposal otherwise proposal shall be returned and bid will be rejected.
- b. Bid Security of technically dis-qualified & unsuccessful Bidder (s) will be released after eight (08) days of the signing of the contract with the successful Bidder.
- c. **Bid Validity period:** The proposals shall remain valid for period of 102 days from the date of opening of Technical bids.
- d. Bid security of the Bidder shall be forfeited in case it is determined that the Bidder, directly or through an agent, participated or competed in this tender or secured the contract, by any means of corrupt, fraudulent, collusive or coercive practices.

17. TECHNICAL PROPOSAL

Technical Proposals shall be in compliance with the requirements laid down in this RFP document. The Technical Proposal shall be clearly marked with the following: - "TECHNICAL PROPOSAL". The technical proposal shall

Include;

- i) Complete profile of the firm with relevant details of clients.
- ii) Qualification and experience of relevant human resource.
- iii) All the information/documentary evidences required for eligibility & qualification as provided in provided below in the section 18 "**Evaluation of Technical Bid**"
- iv) Technical Bids must reach on or before **21st November, 2022 at 1:30 PM, at GDA Head Office Abbottabad** and same will be opened in the presence of all the applicants who choose to be present on same day at 1:45 pm.
- v) The evaluation of Technical Proposals will be carried out and the results of the evaluation will be communicated to all the applicants.
- vi) Financial Proposals of the technically qualified bidders will be opened at the given date & time separately.

18. EVALUATION OF TECHNICAL BID

18.1. In first phase, the Procuring Entity will evaluate the technical documents as per evaluation criteria mentioned below on quality and cost based selection mode. In case of any document found incomplete/ambiguous shall be declared as non-responsive.

Overall capabilities of the firm				
Sr#	Description	Category points	Total points	Document required
1	Years of establishment (1.5 marks for each year)	1.5 X No of years	15	Evidence of incorporation of the firm
2	Have prior experience of conducting external audits of public sector companies / Listed Companies / government organizations in last 5 years (3 marks per organization).	3 X 10	30	Names of external audits conducted along with the dates of audit report issued on the Firm's Letter head, assignment completion letter or engagement letter.
3	No. of staff of the firm affiliated with any professional accountancy body: <ul style="list-style-type: none"> • More than 5 & equal to 10; (5 points) • More than 10 & equal to 15 (10 points) • More than 15 (15) 	5 10 15	15	Names and Qualification to be mentioned.
4	No. of Partners in the Firm <ul style="list-style-type: none"> • More than 2 (5 points) • More than 4 (10 points) • More than 5 (15 points) 	5 10 15	15	Particulars of Partners on Firm's letter head
Subtotal for this section				75 points

Proposed team for the assignment				
sr	Description	Category Points	Grand Total Points	Documents Required
1	Prior experience of the team proposed for External audit assignment other than Engagement Partner (minimum 4 members):			
2	More than 2 but less than or equal to 3 years (1.25 marks for each person of team falling in this category)	5		
3	More than 3 but less than or equal to 5 years of audit experience (2 marks for each person of team falling in this category)	8		
4	More than 5 years of audit experience (2.5 marks for each person of team falling in this category)	10		
5	Engagement Partner has a post qualification experience of more than 5 years	5	5	
6	Presentation to GDA	10	10	Presentation date will be communicated to the bidders during evaluation process
Subtotal			25 points	

Firm having 65 or more marks out of 100 in technical evaluation process shall qualify for the second phase financial opening.

19. FINANCIAL PROPOSAL

The bidder shall submit Financial Proposals specified in the RFP document. Envelope shall be clearly marked with "FINANCIAL PROPOSAL"

The Financial Proposal shall include the following:

- a) Audit Fee including Services Sale tax, provided that;
- b) No separate Out of Pocket Expenses will show in the bid.

- c) The proposal must remain valid for a period of 120 days after the bid opening date.
- d) All chargeable Taxes (Federal as well as provincial) will be deducted at the time of the payment as per relevant government rules and regulations.
- e) The Successful bidder shall pay all such taxes, Stamp duty or other duties, fees and other impositions levied under the applicable law, the amount of which is deemed to have been included in the financial bid.
- f) Bidder shall mention the amount in Financial Proposal, which shall be inclusive of all applicable taxes, levies, duties and fees as per prevailing Laws.
- g) Any increase or decrease in rate of sales tax (only) applicable at the time of payment shall be further added or adjusted, as the case may be, in total contract price.

20. AWARD OF CONTRACT

- a) The technically qualified bidder with the lowest financial bid, if not in conflict with any law, rules, regulations or policy of the Federal/provincial Government shall be awarded the contract, within the original or extended period of bid validity.
- b) A letter of Intent (LoI) will be issued to the technically qualified & financially lowest Bidder who shall submit Letter of Acceptance and 8% of the amount of Financial Bid as Performance Guarantee in shape of CDR within period provided in letter of Intent.
- c) After submission of the Letter of Acceptance the contract will be signed within minimum possible time, failing which GDA may proceed accordingly.
- d) The validity of the contract shall be for one year and auditor shall be required to complete the assignment within 6 months except for the time required by the authority to provide relevant documentation. The Authority may extend the engagement of the firm for another year with revised terms and conditions with the approval of the competent Authority.

21. PAYMENT TERMS

- a) 100% Payment shall be made on submission of Final Signed Reports to GDA against each financial year respectively.
- b) Payment shall be processed on receipt of original commercial / GST invoice.
- c) The amount of Performance Guarantee will be refunded after three months of satisfactory completion of the work as per terms & condition of Tender/Contract.
- d) Mobilization advance and other terms of payments, if any shall be decided at the time of agreement.