

## **TERMS & CONDITIONS**

- (a) Utility Stores Corporation of Pakistan (Private) Limited (hereinafter referred "USC") is registered as Private Limited Company under the Companies Act, 1913 (Subsequently called Companies Ordinance 1984, now called Companies Act, 2017).
- (b) One set of "Technical Proposal" and one set of "Financial Proposal" on the prescribed forms given separately sealed, signed & stamped, must be delivered. The Technical Bids will be opened on the same day at (as per time given advertisement published in newspaper) in the presence of the representatives of the bidders who may wish to attend whereas Financial Bids will be retained unopened. Date of opening of financial proposal of technically qualified bidders will be announced later. Financial proposals of technically unsuccessful bidders will be returned un-opened on the financial proposal opening day.

**(c) General Provisions:**

The audit firm will provide the following documents along with proposal:

- Firm complete Profile showing experience in similar field.
- Copy of Income Tax and Sales Tax Registration Certificate of firm.
- Copy of list of approved Auditors having Category "A" as per State Bank of Pakistan.
- Copy of valid registration with ICAP.
- Copy of valid certificate with regard to satisfactory QCR Rating of ICAP.
- Evidence of number of Tax partners/ Directors working in the Firm (Names & Address etc., of Partners).
- Detail of Departments and supporting staff separately dealing Direct and Indirect Taxation.
- Number of branch offices across Pakistan.
- Financial strength of the organization.
- Evidence the Firm must have international affiliation with a firm of international standing and repute.
- List of clients served in FMCG.
- List of clients served in Public Sector Companies.
- Must have one office in the Islamabad.
- Payment receipt of Rs. 3,000/- (**non-refundable**) being the Tender Fee in favour of "Utility Stores Corporation of Pakistan (Pvt) Ltd" should be attached with the Technical Proposal.
- Affidavit on Rs. 100/- stamp paper to the effect that the firm is not blacklisted and has no dispute with any Government Organization.
- Affidavit on Rs. 100/- stamp paper that all the information/documents submitted with the proposal are correct and if any information/documents found incorrect the USC reserve the right to disqualify and blacklist the firm.

- All the pages of bidding documents and in case having any erasing/cutting/crossing or over writing etc., therein, must be properly signed by the signing person of the bidder by the authorized signatory, who have been given power of attorney on firm letter head (be enclosed with bidding documents, if any), along with attested copy of his CNIC.

**(d) Form of bid and the bidding process**

Bids will be selected in accordance with the clause (b) of Para 36 of Public Procurement Rules 2004, as a Single Stage – Two Envelope procedure. The bidding process will be as under:

- The bid shall comprise a single package containing two separate envelopes. The envelopes shall be marked as **“TECHNICAL PROPOSAL”** and **“FINANCIAL PROPOSAL”** in bold and legible letters;
- The envelope No.1 should contain the complete Technical Bid and payment receipt of Rs. 3,000/- being the Tender Fee in favour of USC.
- The bidder must fill Technical Performa and necessary information/document must be attached with Technical Performa in proper sequence as per **Annexure-A**.
- The envelope No. 2 will contain only the financial bid.
- Both the above-mentioned envelopes should be put in one large envelope, super scribed **“This envelope contains two duly sealed envelopes containing Tender Document and the Price Bid for Engagement of Tax Consultant– in two separate duly sealed envelopes clearly marked so”**.
- The bidder must quote his price as per format **Annexure-B**. The rate(s) quoted should be inclusive of all kind of taxes and must be quoted in figure as well as in words. Out of pocket expenses for the assignment shall be quoted separately.
- In the first stage, only the envelope marked **“TECHNICAL PROPOSAL”** shall be opened and the envelope marked as **“FINANCIAL PROPOSAL”** shall be retained without being opened;
- The technical proposals of all the bidders shall be evaluated. The proposals which meet all the technical eligibility criteria laid down in this document shall be accepted for the second stage;
- During technical evaluation no amendments in the technical proposal shall be permitted;
- The financial proposals of selected bidders shall be opened publicly on working day. The financial proposals of the rejected bidders shall be returned un-opened;
- Both the proposals will be evaluated according to the evaluation criteria and the bidder scoring highest points shall be declared as successful.

- l) USC will not entertain or be liable for any claim for costs and expenses in relation to the preparation of the bid / proposal to be submitted in terms of this document.
- m) Offer shall not be considered if received after the time and date fixed for its receipt.
- n) A bidder (including its Personnel and Sub-Contractor) or any of its affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Bidder to be executed for the same or for another client.

**(e) Opening of Bids**

- a) Bids shall be opened at 02:00 PM on the last date of submission of bids as mentioned in the presence of the Bidder (s) for which they shall ensure their presence without further invitation, as per provision of Rule-28 of Public Procurement Rules, 2004.
- b) No Bidder or its representative will be allowed to keep any digital device (camera, audio recorder, cell phone etc.) during Bid opening meeting at given time and location. Noncompliance will cause the rejection of respective bidder.

**(f) Bid Validity**

The bid validity period shall be 90 days from the last date for submission of the bid.

**(g) Rejection / Acceptance of the Bid**

- a) USC may cancel/reject all bids or proposals at any time prior to the acceptance of a bid or proposal. USC 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 client shall incur no liability, solely, by virtue of its invoking sub-rule (2) of Rule-33 of Public Procurement Rules, 2004 towards the bidders. However, bidders shall be promptly informed about the rejection of the bids, if any (As per sub-rule 3 of Rule 33 of Public Procurement Rules, 2004).
- b) The Bid shall be rejected if it is:
  - i. Substantially non-responsive in a manner prescribed in this tender document;
  - ii. Submitted in other than prescribed forms, annexes, schedules, documents / by other than specified mode;
  - iii. Incomplete, partial, conditional, alternative, late;
  - iv. Subjected to interlineations / cuttings / corrections / erasures / overwriting;
  - v. The Bidder refuses to accept the corrected Total Tender Price;
  - vi. The Bidder has conflict of interest with the Client;
  - vii. The Bidder tries to influence the Bid evaluation / Contract award;

- vii. The Bidder engages in corrupt or fraudulent practices in competing for the Contract award;
- ix. The Bidder fails to meet all the requirements of Bid Eligibility / Qualification Criteria;
- x. The Bidder fails to meet the evaluation criteria requirements;
- xi. The Bidder has been blacklisted by any public or private sector organization;
- xii. The Bidder has been served any legal notices or displeasure letters by any public sector organization on serious failures to provide satisfactory services;
- xiii. The Bidder has mentioned any financial implication(s) in the proposal that is in contradiction to this document and Government rules and regulations;
- xiv. There is any discrepancy between bidding documents and bidder's proposal i.e. any non-conformity or inconsistency or informality or irregularity in the submitted bid;
- xv. The Bidder submits any financial conditions as part of its bid which are not in conformity with tender document;
- xvi. Non-submission of verifiable proofs against the mandatory as well as general documentary, qualification and eligibility related requirements; or
- xvii. If the rates quoted by the Bidder are not workable or are on higher side.

**(h) Qualification of the Bidder:**

Bidder should be enlisted in Category-A of the Auditors issued by state Bank of Pakistan and should have satisfactory QCR rating by ICAP.

**(i) EVALUATION CRITERIA**

USC will use “**Quality and Cost Based Selection Method**” under “**Single Stage Two Envelope Procedure**” of selection of Bidders under Public Procurement Rules 2004. Criteria for Technical and Financial Evaluation are enclosed. Scores will be allocated based on evidence available in the proposal only. The Assignment will be awarded to the Bidder with the highest total score based on the following weight ratios:

- 70% for Technical Score
- 30% for Financial Score

**(j) Technical and Financial Evaluation**

**i. Initial Screening**

The following documents/ certificates are the pre-requisite and may be used for initial screening. The Bidder will go in the next stage if it fulfils all the requirement of initial screening which are as under:

1. The Bidder firm must be "A" ranking as per State Bank of Pakistan.
2. The Bidder firm must have affiliation with one of the global audit firms.
3. Declaration on stamp paper regarding non-black listing / delisting.
4. Declaration on stamp paper regarding provision of correct information/documents.
5. Satisfactory QCR Rating of ICAP.
6. Tax Payer Registration Certificate (Income Tax / Sales Tax).
7. Payment receipt of Rs. 3,000/- (non-refundable) being the Tender Fee in favour of USC.

**ii. Technical Evaluation**

The Bidder Firms will be evaluated as per following criteria. Minimum score for competing in the next stage is 45. The Financial Proposal of only that Bidder will be opened which secured 45 or more in the Technical Evaluation. (Technical Evaluation Performa attached at **Annexure-A**)

**a) Audit Firm's Profile**

S. No.	Particulars	Total Marks	Range	Marks
1.	No. of Tax Partners/Directors at least 2.	10	2 – 3	5
			4 & above	10
2.	No. of Qualified Chartered Accountants Employed by Firm excluding Tax Partners/Directors at least 6	10	6 – 8	5
			9 & above	10
3.	No. of Staff/ Trainees at least 100	10	100 – 200	5
			201 & above	10
4.	Experience of at least 10 Govt./ Semi Govt. Organization's Tax consultancy services in last 5 years	10	10 – 15	5
			16 & above	10
5.	Experience of Tax consultancy services to at least 3 FMCG Companies of minimum annual	10	3 – 5	5
			6 & above	10

	turnover of Rs. 5bn in last 5 years			
6.	No. of Tax Partners in Islamabad Office at least 2	5	2 & above	5
7.	No. of qualified staff in Direct and Indirect Taxation Department of Islamabad office excluding Tax Partners/Directors at least 5	5	5 & above	5
	Total Marks	60		

**(k) Financial Evaluation**

The financial proposal of only technically responsive Bidder firm who will obtain minimum 45 marks will be opened.

The Financial Proposals will be opened in the presence of the Bidders at the time and venue indicated by the USC accordingly. The technically eligible / Successful Bidder(s) / Tenderer (s) or their authorized representatives shall be allowed to take part in the Financial Proposal (s) opening.

The top ranked service provider will be short listed for financial bid opening, if the cost is not within the approved limit set by the management. USC may negotiate with the highest ranked applicant regarding methodology, work plan, staffing, contract price and special conditions of the contract. In case of failure of negotiations, USC may invite the next ranked bidder as per Public Procurement Rules 2004.

## **SCOPE OF WORK**

The tax advisor shall perform following assignments during the period of engagement and starting from the date of signing of engagement letter, in accordance with relevant tax laws.

1. Assisting the management on computation and timely payment of advance tax liability, if any, required, to be discharged under section 147 of the Income Tax Ordinance, 2001 („Ordinance“);
2. Preparation of applications for exemption certificates under various sections of the Income Tax Ordinance, 2001, Federal and Provincial Sales Tax Laws (if required ) and representing the case before tax authorities to obtain such exemption certificates and its periodical renewal;
3. Responding to various notices and inquiries of routine nature from tax authorities;
4. Representing the Company before tax authorities in the event of initiation of audit together with consequential amendment and/or rectification proceedings in respect of a return of total income prepared and filled by you on Company behalf;
5. Filing of monthly and annual statements of withholding taxes required to be filed under various sections of the Ordinance;
6. Representing the Company before tax authorities in respect of any proceedings initiated under various sections of the Ordinance requiring demonstration of due compliance with various withholding provisions of Ordinance;
7. Review of Monthly and Annual withholding Tax Statements and Sales Tax Returns or such other periodical returns as applicable from time to time and e-filing the same before the federal and provincial tax authorities before due date;
8. Calculations of Withholding Taxes on employee's salaries and rent etc. and advising the Company on various withholding tax provisions of the federal and provincial tax laws;
9. Registration under Federal and Provincial Sales Tax Laws, calculation of input or output tax(along with adjustment), maintaining relevant tax records and filing under aforementioned including review of tax computations and ensuring their accuracy;
10. Provide oral/written advice on various provisions of and amendments in provincial and federal taxation laws on the basis of queries raised by management;
11. Provide updates and educate on the changes in provincial and federal taxation laws;
12. Compliance with notices received from tax authorities, including preparation and

presentation of replies to these notices, and to pursue existing matters pending with Tax authorities;

13. Assisting in obtaining any clarification, if required, from the tax authorities on various direct and indirect tax issues;

14. Preparation of Annual Income Tax Returns along with computation of income tax in line with the provisions of Income Tax Ordinance, 2001 and e-filing the same before the tax authorities before due date.;

15. Ensure timely availability of engagement partner for guidance/opinion on the basis of Company's requirements and whenever there is any material change in the applicable taxation laws;

16. Any other tax advices/matters required from time to time during the period of contract.

17. Preparation of tax position in respect of each territory that is Pakistan, AJK, GB, and each province separately.

18. Preparation and filing of appeal documents with Commissioner (Appeals). Preparation and filing of written submissions and attendance before the Commissioner (Appeals) to argue the appeals.

19. Preparation and filing of appeal documents with Appellate Tribunal. Preparation and filing of statements of facts and attendance to argue appeal before Appellate Tribunal and where required defend the appeal filed by the Tax Department.

20. Assistance and provision of necessary papers and documents to advocate in appeal before High Court.

21. Assistance and provision of necessary papers and documents to advocate in appeal before Supreme Court.

22. Advice on USC's existing tax structure and contractual arrangements in relation to its position within the industry and proposing the most tax efficient / effective model.

23. Doing all the work that is 1 to 22 for Pakistan, AJ&K, Gilgit Baltistan, and all provinces of Pakistan in the manner and as required at each place.

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End



**TECHNICAL EVALUATION PERFORMA**

**a) Audit Firm's Profile**

<b>S. No.</b>	<b>Particulars</b>	<b>Numbers/Years</b>
1.	No. of Tax Partners/Directors at least 2.	
2.	No. of Qualified Chartered Accountants Employed by Firm excluding Tax Partners/Directors at least 6	
3.	No. of Staff/ Trainees at least 100	
4.	Experience of at least 10 Govt./ Semi Govt. Organization's Tax consultancy services in last 5 years	
5.	Experience of Tax consultancy services to at least 3 FMCG Companies of minimum annual turnover of Rs. 5bn in last 5 years	
6.	No. of Tax Partners in Islamabad Office at least 2	
7.	No. of qualified staff in Direct and In-direct Taxation Department of Islamabad office excluding Tax Partners/Directors at least 5	

Signature: - \_\_\_\_\_

Name of Authorized Person: - \_\_\_\_\_

Designation: - \_\_\_\_\_

CNIC No: - \_\_\_\_\_

Stamp: - \_\_\_\_\_

**FINANCIAL PROPOSAL PERFORMANCE**

Name of Tax Consultancy Firm	
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Description	Remuneration (Rupees)	Out of Pocket Expenses (Rupees)	Applicable Taxes (Rupees)	Total Amount (Rupees)
If charged annually for all services as mentioned in TORs				
If charged on the basis of each assignment as mentioned in TORs, performed on the behalf of USC (List wise rates should be provided)				
If charged on the hourly basis (Estimated hours should be mentioned, required for each assignment if applicable)				

Note: -

1. The quoted rates should be inclusive of all applicable Government Taxes.
2. Please note that amount in figures and words should be reconciled. If the amount differs the lowest amount would be considered.

Signature: - \_\_\_\_\_

Name of Authorized Person: - \_\_\_\_\_

Designation: - \_\_\_\_\_

CNIC No: - \_\_\_\_\_

Stamp: - \_\_\_\_\_