



Request for Proposals (RFP) For Appointment of External Auditors For the Financial Year 2022-23 For Lahore Knowledge Park Company

The Lahore Knowledge Park Company (LKPC) is a Public Sector Large Scale Organization duly registered with the SECP u/s 42 (not-for-profit) of the Companies Act 2017, through Higher Education Department (HED), Government of the Punjab.

LKPC invites sealed proposals (Technical + Financial) from eligible Chartered Accountancy Firms falls in category "A" of the State Bank of Pakistan Panels of Auditors. The Firm should be registered with the Institute of Chartered Accountants of Pakistan (ICAP) and should appear satisfactory QCR rating firm of ICAP.

S. Nos.	Description of Services	Nature of Contract
1	Appointment of External Auditors for the Financial Year 2022-23	Lumpsum

Bidding Document (RFPs):

Interested eligible bidders may get the Bidding Document (TORs) immediately after the publication of this RFP on submission of written application along with fee of Rs. 1,000/- (non-refundable) in the form of "CDR, Bank Draft, or Pay order" in favor of "Lahore Knowledge Park Company" during working hours from the address given below.

Bid Opening Date, Time & Venue:

Submission of Bids: September 16, 2022 at 11:00 AM
Opening of Bids: September 16, 2022 at 11:30 AM
Venue: Lahore Knowledge Park Company
15- Abu Bakar Block, New Garden Town, Lahore

TERMS AND CONDITIONS

- As per Punjab Procurement Rules-2014 The External Audit Firm shall be select under Quality and Cost Based Selection by using single stage two envelope bidding procedure.
- As per PPR-2014 Bid Security amounting to Rs. 50,000/- (which is not exceeding 5% of the estimated price) in shape of CDR, Bank Draft or Pay Order in favor of "Lahore Knowledge Park Company", without which the offer shall be rejected being non-responsive.
- Proposals after the due date & time will not be brought under consideration.
- Initially, the contract will be for the period of one year but can be renewed for further two years on yearly basis after approval of Competent Authority.
- The procuring agency (LKPC) may reject all bids or proposals at any time prior to the acceptance of a bid or proposal as per Rule 35 of PPR Rules 2014.
- The Financial Bid shall be considered as inclusive of all applicable taxes.

For further clarification, please contact Manager Admin & Procurement on the address and contact detail given below:



Manager Admin & Procurement
Lahore Knowledge Park Company
15-Abu Bakar Block, New Garden Town, Lahore, Pakistan.
Tel: 042 99233332
Cell: 0300-4648128
Email: sohail@lkpc.com.pk

**Lahore
Knowledge
Park**



Request for Proposals (RFP)

for

For Statutory Audit Services for the Year Ended June 30, 2023 Of

LAHORE KNOWLEDGE PARK COMPANY

Issue Date: September 2, 2022

Closing Date: September 16, 2022

Procurement No: LKPC/PRO/20220902/001

LAHORE KNOWLEDGE PARK COMPANY (LKPC)

GOVERNMENT OF THE PUNJAB

Ground Floor, 15-A Abu Bakar Block, New Garden Town, Lahore.



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Letter No: _____

Date: _____

To

SUBJECT: LETTER OF INVITATION

1. Lahore Knowledge Park Company (hereinafter referred “LKPC”) is a not for profit, large-scale public sector organization, duly registered with the SECP under **Section 42** of the Companies Act, 2017, through the Higher Education Department, Government of the Punjab, Pakistan. The objective of LKPC is planning and development of Knowledge & Growth Parks in the Punjab.
2. LKPC invites proposals from the External Audit Firms to provide “**Statutory Audit Services**” for the year ending June 30, 2023. More information about the eligibility criteria & services are provided in the Terms of Reference annexed with the RFP documents. Interested bidders should provide information indicating that they are qualified to perform the services on the prescribed forms given in the RFP documents.
3. The RFP includes the following documents:
 - Letter of Invitation (LOI)
 - Instructions to Audit Firms (ITB)
 - Terms of Reference (TOR)
 - Evaluation Criteria (EC)
 - Type of Contract (TOC)
 - Payment of Mode (MOP)
4. Bidder for conducting audit services of LKPC shall be selected on Qualification and Experience basis as provided in RFP under Punjab Procurement Rules 2014 and shall be engaged via Quality and Cost Based Selection as provided under rule 45 (3) of Punjab Procurement Rules 2014.
5. Two sets of “**Technical Proposal**” and “**Financial Proposal**” on the prescribed forms given in the RFP, separately sealed, signed & stamped, must be delivered to the address given below by no later than 16th September **2022** before 11:00 AM, which will be opened on the same day at 11:30 AM, in the presence of the representatives of the firms who may wish to attend.

Manager Admin/ Procurement

Lahore Knowledge Park Company

15-Abubakar Block, New Garden Town, Lahore. Phone:
+92 (42) 3004648128

Instructions to Audit Firms

General Provisions:

No Firm will be technically evaluated unless following documents must provide:

- a) Company Detail and Profile showing experience in similar field.
- b) Evidence of Audit Partners in Lahore Office.
- c) Copy of certificate with regard to QCR Rating of ICAP.
- d) Copy of list of approved Auditors having Category “A” as per State Bank of Pakistan.
- e) Copy of NTN certificate.
- f) Copy of PRA certificate.

Special Provisions:

- 1) Evidence of number of partners working in the Chartered Accountant Firm (List of Partners attached along with ICAP membership numbers)
- 2) Evidence of number of qualified chartered accountants hired by the firm (List attached on Letter Head with Sign & Stamps)
- 3) Evidence of external audit services clients within government sector (Engagement Letters, Contracts, WOs, POs along with Signed Audit Reports)
- 4) Names and addresses of offices in Lahore and other cities including key contact person in this office.
- 5) Proposals should be addressed to the **Manager Admin. & Procurement), LKPC, 15-Abubakar Block, New Garden Town, Lahore.**
- 6) Affidavit on Rs.100/- stamp paper to the effect that the firm is not blacklisted and has no dispute with any Government Organization shall be furnished, and Firm is eligible to become the External Auditors of the Company and all its Partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of Ethics as applicable in Pakistan. Further External Auditors have not been appointed to provide non-audit services.
- 7) As per PPR-2014 Bid Security amounting to Rs. 50,000/- (which is not exceeding 5% of the estimated price) in shape of CDR, Bank Draft or Pay Order in favor of “Lahore Knowledge Park Company”, without which the offer shall be rejected being non-responsive.

- 8) All the pages of Bidding documents and in case having any Erasing/ cutting/ crossing or over writing etc., therein, must be properly signed/stamped by the signing person of the bidder by the authorized signatory, who have been given power of attorney on company letter head (be enclosed with bidding documents, if any), along with attested copy of his CNIC.
- 9) Initially, the contract will be for the period of one year but may be renewed on satisfactory performance up to further two (02) years on yearly basis subject to the approval of the Competent Authority of LKPC.
- 10) Bids/Offer shall not be considered if received after the time and date fixed for its receipt.
- 11) Proposals (Technical + Financial) shall remain valid for a period of 120 days from the date of opening the Technical Proposals.

THE BIDDING PROCESS

Bids will be selected in accordance with the of Punjab Procurement Rules (PPRA)2014, as a Single Stage – Two Envelope Bidding procedure. The bidding process will be as under:

1. 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.
2. The envelope No.1 should contain the complete Technical Bid and undertaking for technical proposal submission. **Annex-B**
3. The envelope No. 2 will contain only the financial bid.
4. 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 providing External Audit Services – in two separate duly sealed envelopes clearly marked so”.
5. The bidder must quote his price as per format **Annex-C**. 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.
6. 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;
7. 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.
8. During technical evaluation no amendments in the technical proposal shall be permitted.
9. The financial proposals of selected bidders shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance. The financial proposals of the rejected bidders shall be returned un-opened;
10. Both the proposals will be evaluated according to the evaluation criteria and the bidder scoring highest points shall be declared as successful and a written Contract Offer will be made to the successful bidder.
11. The service provider will also sign an undertaking with the LKPC in which the completion of work will be ensured as per **Annex-A**.

Terms of Reference

1. Company Background:

The Lahore Knowledge Park Company (LKPC) was established in 2014 as a not for profit, large-scale public sector organization, registered under Section 42 of the Companies Act, 2017. A company owned by the Government of the Punjab (GoP), LKPC is tasked with undertaking the planning and development of Knowledge & Growth Parks in the Punjab. Its flagship project is the Lahore Knowledge Park (LKP) – the nation’s first Technopolis, to make the Punjab in particular and, Pakistan in general, into South Asia’s future nodal point for the Global Knowledge Economy.

2. Scope (Statutory Auditors):

The Company intends to appoint its Auditors to audit the Financial Statements of the Company for the period ending June 30, 2023 as per the scope defined in the Companies Act, 2017 and International Standards on Auditing (ISA) 200.

3. Deliverables:

Auditors will be required to give their opinion on Financial Statements of the Company as per the requirements of Companies Act, 2017 and International Standards on Auditing and review report on Code of Corporate Governance as applicable to Public sector entities.

4. Covering Letters:

Covering letter (if any) must be addressed to Manager Admin & Procurement, LKPC, 15Abubakar Block, New Garden Town, Lahore.

5. Queries:

For any queries or additional information, please contact Manager Finance, LKPC on 03004648128 & Email; sohail@lkpc.com.pk

Evaluation Criteria

The Company will use “**Quality Cost Based Selection Method**” under “**Single Stage Two Envelope Methods**” of selection of External Auditors under Punjab Procurement Rules, 2014. Criteria for Technical and Financial Evaluation are enclosed. Scores will be allocated based on evidence available in the proposal only. The Statutory Audit Assignment will be awarded to the firm with the highest **total** score based on the following weight ratios:

- **80%** for Technical Score
- **20%** for Financial Score

Technical and Financial Evaluation

(A) Mandatory Requirements

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

- a) Firm/Company detail and profile showing experience in similar field (Audit).

- b) Evidence of Audit Partners in Lahore Office.
- c) Copy of certificate with regard to QCR Rating of ICAP.
- d) Copy of list of approved Auditors having Category “A” as per State Bank of Pakistan.
- e) Copy of NTN certificate.
- f) Copy of PRA certificate.
- g) Affidavit on Rs.100/- stamp paper to the effect that the firm is not blacklisted and has no dispute with any Government Organization shall be furnished, and Firm is eligible to become the External Auditors of the Company and all its Partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of Ethics as applicable in Pakistan. Further External Auditors have not been appointed to provide non-audit services.

(B) Technical Evaluation:

The Firms are technically evaluated as per their experience, financial capability, approach and methodology, quality management and staff proposed. Firms will be evaluated as per following criteria:

1. Number of Partners
2. Number of Qualified Chartered Accountants employed by the firm in Pakistan
3. Number of Audit Partners in Pakistan
4. Number of Audit Staff of the Firm
5. Financial Strength
6. Experience of Govt. / Semi Govt. Organization Audits
7. Construction Sector Audit Experience

Minimum score for competing in the next stage is **65%**. The Financial Proposal of only that Audit Firm will be opened which secured **65% or more** in the Technical Evaluation.

1. Number of Partners	Marks	Range of Partners	Marks
At least 6 (List of Partners along with ICAP registration numbers attached)	10	06 – 10	5
		11 & above	10
2. Number of ICAP Qualified Chartered Accountants Employed by Firm in Pakistan	Marks	Range of Qualified Chartered Accountants	Marks
At least 15 (List of ICAP Qualified Chartered Accountants along with ICAP registration numbers attached)	15	15 – 20	5
		21 – 30	10
		31 & above	15

3. Number of Audit Partner in Pakistan	Marks	Range	Marks
At least 4 (List of Partners along with ICAP Registration numbers attached)	10	4 – 6	6
		7 & above	10
4. Number of Audit Staff of Firm	Marks	Range of Staff	Marks
At least 200 Staff (List of Staff Attached)	10	200 – 250	5
		251 & above	10
5. Financial Strength	Marks	Revenue (PKR)	Marks
Revenue (Copy of Latest Audited Financial Statement or Tax Return of the Firm)	20	Up to 200 Million	10
		201-500 Million	15
		501 Million & above	20
6. Govt./ Semi Govt. Experience	Marks	No of Organizations	Marks
Experience of Audit Services in at least 4 Govt./ Semi Govt. Organizations having assets of 5 billion or more (Singularly) in last 5 years.	20	04	10
		5 – 8	15
		9 & above	20
7. Construction Sector Audit Experience	Total Marks	No of Organizations	Marks
Experience of providing Audit Services to construction related companies having at least 1 billion of total assets in last 5 years, at least 5 organizations.	15	5 -7	5
		8 – 10	10
		11 & above	15
Total Marks	100		100

Note:

The financial proposals of only those technically responsive bidders who obtained minimum sixtyfive percent (65%) marks shall be opened.

(A) Financial Evaluation:

Financial Proposals of only Technically Qualified Audit Firm will be opened. The Audit Firm getting maximum marks on 80-20 weight age (80% for Technical and 20% for Financial) will be selected as Auditors.

Max 20 Points:

The formula for determining the Financial Score is the following: **Sf**
= 100 x Fm / F

Where, **Sf** is the Financial Score; **Fm** is the Lowest Price and **F** the Price of the Proposal under consideration.

The weights given to the Technical (T) and Financial Proposals (F) are: **T**
= 0.80 and **F = 0.20**

Type of Contract

The Company (LKPC) will enter into a lump sum contract with the successful bidder. The duration of the Contract is for one year for audit of financial statements of the year ending June 30, 2023. But it may be renewed on satisfactory performance up to further two (02) years on yearly basis, subject to the approval of the Competent Authority (LKPC).

On Account Payment Mode

The Procuring Agency (LKPC) shall make payments against the invoice on satisfactory performance within the time given in the conditions of the contract and within thirty (30) days from the providing of invoice as per agreed deliverables.

Annex-A

CERTIFICATE

1. Proposal duly signed must be furnished along with the following certificate: -
 - i. I/We hereby confirm to have read carefully all the terms & conditions of your Request for Proposal, due for opening on September 16, 2022 for provision of External Audit services of LKPC for the year ending June 30, 2023. In addition to the

conditions we also agree to abide by all the special instructions mentioned in tender document. We also hereby categorically confirm that we are fully capable to provide services of external auditors as laid down in the terms of reference.

Signature: _____

Name & Address of Tenderer _____

Designation & ID Card No. _____

NTN _____ PRA Reg No. _____

Date: _____ Official Seal: _____

I. WITNESS

Signature: _____

Designation & ID Card No. _____

II. WITNESS

Signature: _____

Designation & ID Card No. _____

Technical Proposal Submission Form

To:
Manager Admin & Procurement, Lahore
Knowledge Park Company, Lahore.

Dear Sir,

We, the undersigned, offer to provide the External Audit Services in accordance with your Request for Proposal dated September 02, 2022, we are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

Attached to this proposal/bid are copies of original documents specifying:

- a. Company detail & profile of the Firm, including
- b. Name, title, phone numbers, fax number and email of authorized representative.
- c. Number, names & addresses of offices in Lahore including key contact person in those offices.
- d. Valid NTN & PNTN number and copy of NTN & PRA Certificate.
- e. Evidence of number of Partners and Audit staff in the firm. (List of Partners attached along with partnership deed)
- f. Evidence of number of ICAP qualified Chartered Accountants employed by the firm in Pakistan. ((List attached on Letter Head with Sign & Stamps)
- g. Affidavit on Rs.100/- stamp paper to the effect that the firm is not blacklisted and has no dispute with any Government Organization shall be furnished, and Firm is eligible to become the External Auditors of the Company and all its Partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of Ethics as applicable in Pakistan. Further External Auditors have not been appointed to provide non-audit services.
- h. Annual financial statements of the firm for the latest financial years.
- i. Experience of Govt. / Semi Govt. Org. Audits in last 10 years (Copy of Audit Report attached)
- j. Copy of certificate with regard to satisfactory QCR Rating of ICAP.
- k. Copy of list of approved Auditors having Category "A" as per State Bank of Pakistan.
- l. Other documents as required in the proposal for evaluation purposes

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. 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.

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 negotiations.

We undertake, if our Proposal is accepted, to initiate the required services not later than the date indicated in RFP. We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature: _____
Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

| Page

Annex-C

FINANCIAL BID PROFORMA

SR.NO.	PARTICULARS	AMOUNT(PKR) (inclusive of all applicable taxes)
1.	External Audit Fee Including Review Report of Statement of Compliance (SOC)	
2.	Out of Pocket Expenses (if any)	
	Total Fee for Audit Services (Sr. 1 + Sr.2) (In Figures)	
	TOTAL (In Words)	

Note:

1. Quoted price must be inclusive of all kind of applicable taxes and quoted in figure as well as in words.

Signature of the Bidder with seal

Address: _____
