

REQUEST FOR PROPOSAL

Audit Services

Drug Regulatory Authority of Pakistan

Government of Pakistan
Drug Regulatory Authority of Pakistan
Ministry of National Health Services,
Regulation & Coordination

REQUEST FOR PROPOSAL

FOR APPOINTMENT OF EXTERNAL AUDITORS

Drug Regulatory Authority of Pakistan is established under Drug Regulatory Authority of Pakistan Act 2012 (The ACT). DRAP is mandated to regulate the pharmaceutical industry of Pakistan, issue licenses and create fair regime in the pharmaceutical sector.

DRAP seeks Expression of Interest (EOI) from reputed Chartered Accountant Firms having valid sales tax and income tax registration for appointment as Statutory (External) Auditors for a period of 03 years (i.e. F.Y 2018-19, F.Y 2019-20 & F.Y 2020-21).

Procedure of **Single Stage, two envelope as per PPRA Rules** will be followed.

The services of Statutory (External) Auditors shall be hired on the basis of **Quality and Cost Based Method** of Selection of Consultants as per PPRA's Procurement of Consultancy Services Regulations, 2010.

The Statutory (External) Auditors are required to carry out their Audit in accordance Audit International Accounting Standard Board (IASB) as are notified by Securities and Exchange Commission of Pakistan and the Drug Regulatory Authority of Pakistan Accounting Procedure and Financial Rules, 2015 approved by Federal Government of Pakistan.

Request for Proposals (RFP) may be downloaded from the website of PPRA & DRAP or email request or in person by the firms fulfilling the following criteria mentioned in the EOI document on the basis of documentary evidence provided with the EOI:

- having valid Sales Tax and Income Tax registration certificates,
- partners & Staff are members of ICAP or similar international bodies,
- has got satisfactory QCR Rating of ICAP,
- registered on State Bank of Pakistan's Panel of Auditor in "A" category,
- should be Affiliated / Member firm of reputed international firm,
- audit experience of regulatory Authority(ies) in Pakistan.

Interested Chartered Accountant Firms may submit their EOI on or before **13-09-2019** till **10:00 AM** through registered post or any courier service or in person at the address mentioned below. Bids will be opened on the same day at **11:30 AM**.

The Authority reserves the right to accept or reject any bids at any time prior to award of contract as per PPRA Rules.

Director (Budget & Accounts)
Drug Regulatory Authority of Pakistan
T.F Complex, G-9/4, Islamabad. Ph: 051-9262053
email: amanullah2001@hotmail.com web: www.dra.gov.pk

1. Introduction

Drug Regulatory Authority of Pakistan is formed by Drug Regulatory Authority of Pakistan Act 2012 (The ACT). DRAP is mandated to regulate the pharmaceutical industry of Pakistan, issue licenses and create fair regime in the pharmaceutical sector. Among other things DRAP is also required to get its Financial Statements audited by a Chartered Accountant Firm as provided in sub-section 03 of section 22 of DRAP Act, 2012.

2. Instructions to Participants

- i. Single stage - two envelope procedure will be used for tendering process. The bid shall comprise of one envelope containing proposals for technical and the other with financial components. The bids will be opened and evaluated as per evaluation criteria mentioned in this RFP. Bidders will provide all necessary information as required in the RFP to make the bid responsive.
- ii. The bid envelopes shall clearly be marked with the: “**PROPOSAL FOR AUDIT SERVICES**” and “Not to be opened before 13-09-2019 at 11:30 hrs”
- iii. Proposals will be submitted on or before the last date for submission on the address given at Sr. ii.
- iv. The auditor may request a clarification of any of the RFP documents not later than 06 days before the proposal submission date. Any request for clarification must be sent in writing by paper mail or electronic mail to the client’s address given below.
- vi. **Proposal Requirements**

Technical Proposal

a. Quality

- a. Partners & Staff (who are members of ICAP or similar international bodies)
- b. Firm has got satisfactory QCR Rating of ICAP
- c. Affiliated / Member firm of reputed international firm
- d. Should be registered on State Bank of Pakistan’s Panel of Auditor in “A” category

b. Experience

- a. Audit experience of regulatory Authority(ies) in Pakistan

Financial Proposal

Financial proposals should be divided into the following categories:

- a. Audit fees (separately for 1st, 2nd and 3rd year of service) &
- b. Out of pocket expenses (separately for 1st, 2nd and 3rd year of service)

3. Terms of Reference (Scope of the Assignment)

DRAP intends to hire services of Audit Firm as provided in sub-section 03 of section 22 of DRAP Act, 2012:

4. Evaluation Criteria:

1. Essential requirements for Qualification of Bidders

The following is the list of essential requirements failing which the bidder will be automatically disqualified for further process against this RFP:

- ✓ The name of bidder should be in Active Taxpayer List (ATL) of FBR.
- ✓ Partners & Staff are members of ICAP or similar international bodies
- ✓ Has got satisfactory QCR Rating of ICAP
- ✓ Firm should be Affiliated / Member firm of reputed international firm
- ✓ Firm should be registered on State Bank of Pakistan's Panel of Auditor in "A" category
- ✓ Audit experience of regulatory Authority(ies) in Pakistan.

2. Evaluation Criteria for Technical Proposals:

Technical proposal shall be evaluated as per the following criteria:

	Sr. No.	Criterion	Weightage %	Score
QUALITY	1	Tax Partners & Managers (who are Members of ICAP or similar international/local bodies) (2 mark per personnel) Max: 30	30	
	2	Has got satisfactory QCR Rating of ICAP	10	
	3	Affiliated / Member firm of reputed international firm (within Top 4 ranked worldwide = 10, affiliations with others = 5)	10	
	4	Should be registered on State Bank of Pakistan's Panel of Auditor in "A" category	20	
	5	Audit experience of Regulatory Authorities/ Public Sector entities (List key transactions) (6 marks per transaction max 30)	30	
		SUB TOTAL QUALITY	100	
i. Firms having minimum score of 70% will qualify for Financial evaluation. ii. Supporting documents to be attached with for each evaluation criteria and essential requirements.				

3. Award of Service Contract

Service contract shall be awarded to the audit firm offering the lowest bid price subject to qualifying technical evaluation. (i.e. F.Y 2018-19, F.Y 2019-20 & F.Y 2020-21). If the lowest bid is the same from different firms, the firm with highest marks in technical evaluation shall be awarded contract. Initial appointment shall be made for one year and the authority reserves the right to extend the initial contract for further period of one or two years at its's discretion.