



DRUG REGULATORY AUTHORITY OF PAKISTAN

(A statutory body established under the Drug Regulatory Authority of Pakistan Act, 2012 (the Act))

Ref No. _____

Bidding Document

APPOINTMENT OF EXTERNAL

AUDITORS

Drug Regulatory
Authority of Pakistan
Prime Minister's National
Health Complex, Park
Road, N.I.H, Chak
Shahzad, Islamabad.

Tel: 051-9255911
URL: www.dra.gov.pk

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Monday, 10 February, 2025, 10:16:2 AM

Ijaz Mustafa
Assistant Director-V (MIS)

Monday, 10 February, 2025, 10:16:2 AM

1. INTRODUCTION

The Drug Regulatory Authority of Pakistan (the Authority) is a statutory body established under the Drug Regulatory Authority of Pakistan Act, 2012 (the Act). The Authority was established for the effective coordination and enforcement of the Drugs Act, 1976 to bring harmony in interprovincial trade and commerce of therapeutic goods and to expedite the regulation of the manufacturing, import, export, storage, distribution and sale of therapeutic goods. Among other things DRAP is also required to collect fees for the regulatory services provided by it and the income of DRAP is made taxable under Income Tax Ordinance, 2001.

The financial statements of DRAP will be prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. Approved accounting standards comprise of International Public Sector Accounting Standards as developed and approved by the International Public Sector Accounting Standards Board (IPSASB) and/or International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB), as directed by the Controller General of Accounts (CGA)).

DRAP invites sealed bids / proposals for the appointment of external auditors for the period of 03 years (i.e. Financial Year 2025, 2026 & 2027) from capable Audit Firms licensed by the Institute of Chartered Accountants of Pakistan and registered with Federal Board of Revenue (FBR) and similar provincial/ local bodies.

2. BIDDING PROCESS

- a. An open, competitive, and transparent bidding process (i.e. **Single Stage, two Envelope** procedure) will be followed in accordance with Public Procurement Regulatory Authority (PPRA) Ordinance, 2020 and Rules, Regulations and Guidelines made thereunder.
- b. The bid/proposal shall be uploaded to e-Pak Acquisition & Disposal System (**e-PADS**), comprising both the **technical proposal** and the **financial proposal**. **The attachment of bid/proposal on e-PADS is mandatory, failing which the bid shall be rejected.**
- c. Initially, the “**TECHNICAL PROPOSAL**” shall be opened.
- d. DRAP shall evaluate the submitted technical proposals in accordance with eligibility and evaluation criteria of this document without reference to the price.
- e. After evaluation and approval of the technical proposals, the financial proposals of the technically qualified bidders will be opened at a time and date announced and communicated to bidders in advance.
- f. DRAP shall evaluate the technical proposals in a manner prescribed under Section 03 and 05 of this document without reference to the price and shall reject any proposal which does not conform to the specified requirements.

3. TECHNICAL PROPOSAL

- a. The technical proposal shall be clearly marked with the following: -

“TECHNICAL PROPOSAL”

- b. The technical proposal shall include;
 - i. A covering letter from the head of the Firms / Companies or an authorized representative of the applicant.
 - ii. All the documents mentioned in bidding document shall be part of technical proposal except

financial proposal.

4. ELIGIBILITY CRITERIA

Bidders/Firms must give compliance to the below mentioned clauses as these are mandatory for being eligible for the bidding process:

(Table I)

Sr. No	Mandatory Requirements	Ref. page No. of evidence in proposal
a.	The firm must be on State Bank of Pakistan panel of auditors in category “A” as per latest report available on website.	
b.	Valid registration with FBR for income tax and sales tax purposes and with relevant provincial tax/revenue authority and on active taxpayer list (ATL).	
c.	The firm shall provide an undertaking on letter head that it has not been blacklisted by any Government/Semi-Government institution.	
d.	Firm must have fully functional office(s) in Islamabad/Rawalpindi.	
e.	Valid practicing license of engagement partner, issued by The Institute of Chartered Accountants of Pakistan (ICAP), Valid on the bid opening date.	
f.	Having latest satisfactory Quality Control Review (QCR) rating issued by ICAP.	
g.	Firm must be Affiliated with/ Member firm of reputed international firm	
h.	Firm must have Audit experience of at least 03 Public Sector Entities/ Regulatory Authority(ies) in Pakistan	

5. INSTRUCTIONS /GENERAL CONDITIONS

- a. The firm will be selected after an open, competitive, and transparent bidding process.
- b. Each page of the technical and financial proposal shall be signed by an authorized representative of the firm. The representative’s authorization shall be confirmed by letter of authorization on official letter head of the firm.
- c. For clarification on any item of this bidding document, the firm may send queries via **e-PADS**, at least five (05) days before the proposal submission date.
- d. All clarifications will be communicated to the firms through **e-PADS**.
- e. DRAP may reject all bids or proposals at any time prior to the acceptance of a bid or proposal.
- f. The firm shall bear all costs associated with the preparation and submission of their respective bids and DRAP will, in no case, be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- g. Firms are under obligation to read and understand complete information package/bid documents, DRAP shall not be responsible towards the firm for any of their claim or complaint which may arise because of non-reading or misreading the bid documents/information package by firms.

- h. DRAP is the originator of information package/bidding documents, any clarification or interpretation communicated by DRAP, whether in response of a query or otherwise, shall be deemed final, conclusive and will remain unquestioned.

6. EVALUATION CRITERIA FOR TECHNICAL PROPOSAL

- a) DRAP will evaluate the proposals on the basis of their compliance with the evaluation criteria mentioned in Table-I of section 04 of the bidding documents and the point system as specified below in Table II.
- b) A proposal shall be rejected during technical evaluation if it does not comply with the bidding document.
- c) The bidders meeting the mandatory requirements of Table-I of Section 04 of this document will be evaluated and awarded points as per Table-II of this section.

(Table II)

S.No	Evaluation Criteria for Technical Proposal	Max Marks	Ref Page No. in Proposal
1	Experience of Public Sector Entities/Regulatory Authorities audits (Number of Annual Audits) (6 marks per entity max 30 Marks) (Evidence in the form of a signed and stamped year wise list of clients)	30	
2	Partners & Managers (who are Members of ICAP) (2 mark per person) Max: 40 Marks) (Provide detail as per Annex-I to this Invitation)	40	
3	Affiliated / Member firm of reputed international firm (Ranked within Top 4 globally known = 10 Marks, affiliation with others = 5 Marks)	10	
4	Has practical experience/knowledge regarding International Public Sector Accounting Standards (IPSAS) 05 Marks per entity, Max 20 Marks (Provide evidence as per Annex-II to this Invitation)	20	
	SUB-TOTAL	100	
	i. Firms having minimum score of 60% will qualify for Financial evaluation. ii. Supporting documents to be attached with for each evaluation criteria and essential requirements.		

7. BID SECURITY

- a. A bid security (**refundable**) in the form of a CDR/Pay Order/Demand Draft, in the name of ‘Drug Regulatory Authority of Pakistan, of value PKR 50,000/- (Pak Rupees Fifty Thousand Only) must be attached on **e-PADS and original bid security shall be submitted to DRAP any time before the closing time of bid submission, failing which the bid shall be rejected.**
- b. Bid security of non-responsive firms as per Technical Evaluation, shall be returned after the result announcement of technical evaluation report.
- c. Bid security of technically responsive (qualified) firms will be released after ten (10) days of the signing of the contract with the successful firm.

8. FINANCIAL PROPOSAL

- a. The firm shall submit financial proposals in separate sealed envelope marked as;

“FINANCIAL PROPOSAL”

- b. The Financial Proposal shall be as per following format;

S.No.	Service Year	Audit Fee	Out of Pocket Expenses	Sales tax	Total (Rs.)
1.	YEAR 01				
2.	YEAR 02				
3.	YEAR 03				
Total Quote					

- c. The proposal must remain valid for a period of 180 days after the bid submission date.
- d. Taxes will be deducted at the time of the payment as per government rules and regulations.
- e. All prices shall be in Pak Rupees.
- f. The firm shall mention the amount in financial proposal, which shall be inclusive of all applicable taxes, levies, duties and fees as per prevailing laws.

9. SUBMISSION, OPENING AND RECEIPT OF PROPOSALS

- a. The original proposal (Technical and Financial Proposal) shall be submitted on e-PADS.
- b. The original bid security must be delivered at the address given below on or before 11:00 am. (PST), 24 February 2025.

Deputy Director (Procurement, Projects & Logistics)

Drug Regulatory Authority of Pakistan
Prime Minister’s National Health Complex, Park
Road, Chak Shahzad, N.I.H, Islamabad
Tel: (92-51)-9255911
Email: Hamza_zubaid@hotmail.com

- c. Proposals shall be opened on the closing day i.e., 24 February 2025 11:30 AM. (PST), in presence of all the applicants/representatives who chose to be present.

10. AWARD OF CONTRACT

- a. The firm with the most advantageous bid, if not in conflict with any other law, rules, regulations, or policy of the Federal Government shall be awarded the contract.
- b. The initial term of the contract shall be one year which may be extended for another term of one year and further one year at DRAP's discretion.

11. PAYMENT TERMS

The payment of fee will be made after issuance of final audit reports (as applicable).

12. ASSIGNMENT COMPLETION TERMS

The expected assignment completion deadline is 03 months after closing of the financial year.

13. TERMS OF REFERENCE / SCOPE OF ASSIGNMENT

- i. The scope includes audit of annual financial statements of DRAP for the 03 financial years i.e. 2025, 2026 and 2027(ending 30 June). DRAP will sign engagement letter with successful bidder, subject to approval of competent authority.
- ii. 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 and issue auditors' report accordingly.

14. ARBITRATION

In case of any difference or dispute arising between the parties during the contract period, the matter shall be referred for resolution to Chief Executive Officer, Drug Regulatory Authority of Pakistan whose decision shall be final and binding on both the parties.

15. TERMINATION OF CONTRACT (BEFORE EXPIRY)

Procuring agency i.e. DRAP or Statutory Auditors may terminate the contract with notice period of 30 days (at least) as per mutual understanding.

Annexure I

Sr.No.	Name	ICAP Membership No.	ACA/FCA	Tax Partner/Audit Partner/Other s

Authorized Signatory:

Name: _____

Designation: _____

Sign/Stamp: _____

Annexure II

Sr.No	Name of Entity	Year of Audit	Certificate/Evidence

Authorized Signatory:

Name: _____

Designation: _____

Sign/Stamp: _____