NATIONAL ENGINEERING SERVICES PAKISTAN (PVT.) LIMITED

BIDDING DOCUMENTS

FOR

HIRING THE SERVICES OF AUDIT FIRM FOR STATUTORY AUDIT FOR THE THREE YEAR PERIOD FROM JULY 01, 2022 TO JUNE 30, 2025

October 2025

NATIONAL ENGINEERING SERVICES PAKISTAN (PVT.) LIMITED
Finance Division, NESPAK House, 1-C, Block-N, Model Town Extension, Lahore

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1. Introduction

National Engineering Services Pakistan (Pvt.) Limited (NESPAK) (hereinafter called the "Employer"), a leading International Engineering Consultancy Company, invites electronic Bids on single stage-two envelope bidding procedure (National Competitive Bidding basis) for conducting Statutory Audit for the three years period from July 01, 2022 to June 30, 2025.

2. Scope of the Services

The Scope of Services is summarized hereunder:

I. Statutory Audit of NESPAK separate Financial Statements under the Companies Act, 2017 for the Financial Year 2022-2023 and issue Auditor's opinion.

II. Review on NESPAK's compliance under the SECP Corporate Governance Rules 2013 for the Financial Year 2022-2023 and issuance of review report on Compliance with the best practices of the code of Corporate Governance.

III. Statutory Audit of NESPAK separate Financial Statements under the Companies Act, 2017 for the Financial Year 2023-2024 and issue Auditor's opinion.

IV. Statutory Audit of NESPAK Consolidated Financial Statements under the Companies Act, 2017 for the Financial Year 2023-2024 and issue Auditor's opinion.

V. Statutory Audit of NESPAK separate Financial Statements under the Companies Act, 2017 for the Financial Year 2024-2025 and issue Auditor's opinion.

VI. Statutory Audit of NESPAK Consolidated Financial Statements under the Companies Act, 2017 for the Financial Year 2024-2025 and issue Auditor's opinion.

The Bidders must quote for the complete scope of the Services. Any Bid covering partial scope of Services will be rejected.

The successful Bidder will be required to submit three (03) Nos. copies of the following reports:

a. Audit Reports on the separate Financial Statements of NESPAK for the year ended on June 30, 2023.

b. Review Report on Statement of Compliance with the best practices of the Code of Corporate Governance for the year ended on June 30, 2023.

c. Audit Reports on the separate Financial Statements of NESPAK for the year ended on June 30, 2024.

d. Audit Reports on the Consolidated Financial Statements of NESPAK for the year ended on June 30, 2024.

e. Audit Reports on the separate Financial Statements of NESPAK for the year ended on June 30, 2025.

f. Audit Reports on the Consolidated Financial Statements of NESPAK for the year ended on June 30, 2025.

g. Any other report as required under the law.

3. Eligibility Requirements

Bidding is open to all firms meeting the following requirements:

a). The Bidder shall be duly incorporated/registered under the laws of Islamic Republic of Pakistan;
b). The Bidder shall be registered with Income Tax Department and who are on Active Taxpayers List of the Federal Board of Revenue; and
c). The Bidder shall not have been black listed or debarred by any Governmental or semi-Governmental Organization/Department or a foreign country, international organization or other foreign institutions. The Bidder should submit an Undertaking with the Application, certifying that "the Bidder has not been blacklisted or debarred by any Government or Semi-Government Organization/ Department or a foreign country, international organization or other foreign institutions".

4. Qualification Requirements

The Bidder shall meet the following qualification requirements:

a). The Bidder shall be registered with the relevant Punjab Revenue Authority (PRA) and who are on Active Taxpayers List of PRA;
b). The Bidder shall be ranked in "A" firms category as per State Bank of Pakistan;
c). The Bidder shall be affiliated with one of the global audit firms; and
d). The Bidder shall have satisfactory QCR Rating of ICAP.

5. Cost of Bidding

The Bidder shall bear all costs associated with the preparation and submission of its Bid and the Employer will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

6. Preparation of Bid

The Bid shall comprise two envelopes submitted simultaneously on EPADS, one called the Technical Bid and the other the Price Bid, each containing the documents described hereunder. The Bids shall be prepared in the English language. Information in any other language shall be accompanied by its translation in English.

<u>Technical Bid</u>

The Bidders are expected to examine all terms & instructions included in these Bidding Documents and are required to submit documentary evidences/credentials in the Technical Bid, to meet requirements as provided under Clauses 3, 4 and 9 of these Bidding Documents. Failure to provide requested information by a Bidder may result in rejection of its Technical Bid.

The Technical Bid shall not include any financial information.

<u>Price Bid</u>

The Bidder shall quote Bid Price entirely in Pak Rupees on lumpsum basis for the Services to be performed under the Contract and shall submit it in the price Bid. The payment shall be made in the same currency. The Bid Price shall be quoted inclusive of all prevailing taxes such as income tax, Provincial Sales Tax on Services and out of Pocket expenses, etc. All payments shall be made after deduction of applicable taxes.

The Bidder shall quote price separately for each item of the scope of the Services for financial year provided under Clause 2 hereof, and payment shall be made accordingly after completion of each item of the scope of the Services.

The Bid Price quoted by the Bidder shall remain fixed during the Bidder's performance of the Contract and shall not be subject to variation on any account.

7. Validity of the Bids

The Bids shall remain valid for one twenty (120) days after date of Bid opening.

8. Bid Submission, Opening and Clarification

The Bid, prepared in accordance with the above provisions must be submitted through EPADS latest by deadline for submission of Bids mentioned in Invitation to Bid. The Technical Bids will be opened on same day on EAPDS in the presence of Bidders` representatives who choose to attend, at the address, date and time specified in the Invitation to Bid. Price Bids will remain unopened until the specified time of their opening.

The envelopes marked 'Technical Bids' shall be downloaded and opened one at a time, and the following read out and recorded:

a) the name of the Bidder; and
b) any other details as the Employer may consider appropriate.
At the end of the evaluation of the Technical Bids, the Employer will open the Price Bids of only those Bidders who have submitted substantially responsive Technical Bids. The date, time, and location of the opening of Price Bids will be intimated by the Employer on EPADS.

The ‘Price Bids’ shall be downloaded and opened one at a time on EPADS and the following read out and recorded:

(a) the name of the Bidder;
(b) the Bid Prices, including any discounts; and
(c) any other details as the Employer may consider appropriate.

Only discounts read out at Bid opening shall be considered for evaluation.

The Employer will record the minutes of the bid opening (Technical & Price). Representatives of the bidders who choose to attend shall sign the attendance sheet.

To assist in the examination, evaluation and comparison of Bids the Employer may, at its discretion, ask the Bidder for a clarification of its Bid. The request for clarification and the response shall be in writing and no change in the price or substance of the Bid shall be sought, offered or permitted.

9. Evaluation of Bids

Most Advantageous Bid will be selected in accordance with the Quality and Cost Based Selection procedure.

The Employer shall first examine eligibility and qualification of the Bidders. The Bidders who shall not meet the eligibility and qualification requirements provided under clause 3 and 4, shall be held non-responsive and their Technical Bids shall not be further evaluated.

Thereafter, detailed evaluation of Technical Bids shall be carried out based on scoring criteria, followed by the evaluation of Price Bids. The Bidders shall be ranked using a combined technical and financial score as indicated below:

<u>Detailed Evaluation of Technical Bid</u>

The Technical Bids shall be evaluated based on the following:

i. Number of Partners in the firm within Pakistan
ii. Number of Qualified Professionals (CA and ICAEW only) employed by the firm in Pakistan
iii. Number of Audit Staff
iv. Number of offices in Pakistan
v. Experience of Govt./Semi Govt. Organization Audit Services
vi. Experience of engagement partner
vii. Financial Strength

Each Technical Bid shall be attributed a technical score (St).The Bidders scoring less than seventy (70) percent points shall be rejected. The Technical Evaluation Scoring Criteria is given hereunder:

1. No. of Partners	**Total Marks**	**Range of Partners**	**Marks**
2 marks for 8 partners each and additional 1 mark for each additional partner, maximum marks 20. (List of partners to be attached)	20	8	16
		Additional 1 mark for each additional partner, maximum 4 additional marks	4
2. No. of Qualified Professionals Employed by the Firm in Pakistan (CA and ICAEW only) other than Partners	**Total Marks**	**Range of Qualified Professionals**	**Marks**
10 marks for 12 qualified person and additional 1 mark for each additional qualified person, maximum marks 20. (List to be attached)	20	12	10
		Additional 1 mark for each additional qualified person, maximum of 10 additional marks	10
3. No. of Audit Staff (other than Qualified Professionals)	**Total Marks**	**Range of staff**	**Marks**
5 marks for 250 staff and additional 1 mark for additional 15 staff members, maximum 10 marks	10	250	5
		Additional 1 mark for 15 additional staff members, maximum 5 additional marks	5
4. Number of Offices in Pakistan	**Total Marks**	**No. of Offices**	**Marks**
At least 3 Offices in Pakistan	10	3	5
		3 & above	10
5. Government/Semi Government Experience	**Total Marks**	**No. of organization**	**Marks**
Experience of 5 Govt./Semi Govt. Organization Audit services having 4 Billion revenue will earn 5 marks and additional each assignment will earn 3 marks, maximum 10 marks	10	5	5
		Additional each assignment will earn 3 marks, maximum 5 additional marks.	5
6. Years of experience of Engagement Partner	**Total Marks**	**Experience years**	**Marks**
4 marks for 15 years and additional 1 year will fetch 1 mark each, maximum marks 10.	10	15	4
		Additional 1 year experience will get 1 mark, maximum 6 additional marks	6
7. Financial Strength	**Total Marks**	**Revenue**	**Marks**
Revenue	20	Upto 800 Million	5
		800-1000 Million	10
		1000- 1200 Million	15
		Above 1200 Million	20
Grand Total:	**100**		

Price Bid

The Employer shall conduct the opening of Price Bids of all Bidders whose Technical Bids were declared substantially responsive and passed technical evaluation scoring criteria. The prices quoted by the Bidder shall be publically announced to the attending representatives of the Bidders. The Employer shall determine whether the Price Bids are complete and without any computational errors.

The lowest Price Bid among all the Bids shall be given a financial score (Sf) of 100 points. The financial scores of the other Bids shall be computed as follows:

$$Sf = \frac{100 * Pb}{F}$$

Where

Pb = amount of lowest Price Bid
F = amount of specific Price Bid

Selection of Most Advantageous Bid

The Bids shall finally be ranked according to their combined technical (St) and financial (Sf) scores using the following weightages:

T, the weightage given to the Technical Bid = 0.9 (90%)
P, the weightage given to the Price Bid = 0.1 (10%)

$$\text{Combined Score (S)} = St * T + Sf * P$$

The highest ranked Bid having combined score will then be declared as Most Advantageous Bid.

10. Award of Contract

The Employer will award the Contract to the Bidder whose Bid has been determined as Most Advantageous Bid.

The Employer will enter into a lump sum contract with the successful Bidder.

Notwithstanding the above, the Employer reserves the right to annul the bidding process and reject all bids, at any time prior to award of Contract as per Rule 33 of Public Procurement Rules 2004.