



STATE LIFE
INSURANCE CORPORATION OF PAKISTAN

Principal Office
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Date: 30-01-2019

CORRIGENDUM

TENDER NOTICE NO 03/2019
REQUEST FOR PROPOSALS HIRING OF CONSULTANTS

Ministry of Commerce intends to conduct an Independent Study regarding the achievements made by following Public Sector Insurance Corporation / Companies against their establishment and to ascertain the impact of privatizing of these entities:

- 1. State Life Insurance Corporation of Pakistan,**
- 2. National Insurance Company Limited &**
- 3. Pakistan Reinsurance Company Limited**

In this regard, Sealed Technical and Financial bids are invited in accordance with PPRA Rules under “Single Stage-Two Envelope Procedure” from interested Individual / Company / Consultant Firms / Consultants registered with the Government agencies and also enlisted with FBR having their National Tax Number.

S#	Description of the job.	Closing date and time for Submission of Bids	Date and Time of Opening of Technical Bids
1	Request for Proposals Hiring of Consultants	15-02-2019 Until 11:00 a.m.	15-02-2019 at 11:30 a.m.

The TOR is attached with this Tender Notice and can also be obtained free of cost from the office of undersigned during working days (Monday to Friday) from 9:00 am to 5:30 pm. Last date for submission of sealed bids is 15-02-2019 until 11.00 a.m. Technical bids will be opened on same day at 11.30 am. in the office of the undersigned, in the presence of bidders or their representatives, who like to be present at the occasion.

State Life reserves the right to accept / reject all the proposals, of the respondents in accordance with PPRA rules.

Qaiser Siddiqui

In-charge –General Services
State Life Insurance Corporation of Pakistan,
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TERMS OF REFERENCE (TOR)

Introduction:

M/s State life Insurance Corporation of Pakistan (SLIC) was constituted under Life Insurance (Nationalization) Order(LINO) 1972 (P.O No. 10 of 1972) and is engaged in life Insurance Business under the Insurance Ordinance 2000. SLIC provides services to its policy holders through 34 Zonal offices of individual life including one Gulf zone at Dubai and four Zonal offices of Group and Pension. SLIC is also engaged in Bancassurance business and running Prime Minister's National Health Scheme and Sehat Sahulat Program of KPK.

M/s. National Insurance Company limited (NICL) was incorporated as an unquoted public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017) through National Insurance Corporation (Reorganization) Ordinance, 2000. NICL is engaged in underwriting non-life insurance contracts by virtue of its registration under the Insurance Ordinance, 2000. NICL provides general insurance coverage to the State-Owned Moveable and Immoveable Assets, liabilities and Interests appertaining to the Federal & Provisional Governments, local Authorities, Statutory Corporations and Public Sector Companies.

M/s. Pakistan Reinsurance Company limited (PRCL) is the only locally registered reinsurer playing its role in the economic development of Pakistan. It provides reinsurance protection to the local insurance industry in view of treaty and facultative business as well as managing insurance schemes assigned by the Federal Government of Pakistan. Formerly called the Pakistan Insurance Corporation, Pakistan Reinsurance Company Limited, PRCL was established in 1952 as Pakistan Insurance Corporation under Pakistan Insurance Corporation Act, 1952 in order to support local insurance industry. Its shares are listed on the Pakistan Stock Exchange (PSX).

These three State Owned Insurance Companies intend to have a detailed study conducted through a professional company/firm/individual, as per the following scope;

Scope of Work:

An objective research is needed to be conducted by an independent consultant / firm to study the achievements made by the SLIC, NICL and PRCL against the primary purpose and intent behind their establishment In terms of the relevant administrative statutes, and to ascertain the impact of privatizing the said entities.

The study shall be duly backed by the quantitative as well as the qualitative aspects to carry out the aforementioned purpose of the study.

The consultant / firm engaged to carry out the said study shall be required to:

- a. identify the primary objectives of SLIC, NICL and PRCL based on which those were set up;
- b. identify relevant factors that were perceived to have direct or indirect effects on the realization of the purposes for which SLIC, NICL and PRCL have been established;

- c. correlate those factors in a manner so as to enable the study to come up with objectively identifiable performance / achievement analysis;
- d. quantify the relevant factors that have actually contributed towards the achievement of the goals of establishment of SLIC, NICL and PRCL, independently and collectively;
- e. calculate the rate of SLIC, NICL and PRCL for the Government of Pakistan, and the contributions made by these companies in the form of dividends and taxes paid to the Government;
- f. study the governance structure of these three State Owned Insurance companies within the context of corporate governance framework as applicable in Pakistan, and the gaps (if any) may be identified;
- g. conduct a study from the HR's perspective with regard to the quality of existing assets, policies, remuneration structure, controls etc., and also from the IT's perspective covering the current requirements, Infrastructure & capacity in the light of the best market practices;
- h. carry out quantitative and qualitative comparison of SLIC, NICL and PRCL with the peer organizations of comparable size in private sector in terms of financial performance, financial efficiency and financial soundness indicators. If the performance and efficiency of these organizations turns out to be lower when compared to the private sector peers, the reasons may be identified in detail and remedial measures may be suggested;
- i. recommend appropriate way forward for optimum alignment of the relevant factors on some rational grounds;
- j. identify potential areas of business growth for SLIC, NICL and PRCL;
- k. recommend amendments / changes in existing laws (if any) required to implement the proposed business, operational and governance improvements / reforms may also be suggested;
- l. evaluate and ascertain the impact(s) of privatization of SLIC, NICL and PRCL.

EVALUATION CRITERIA FOR CONSULTING FIRM

Evaluation criteria for selection of Consulting firm for Independent Study is as under: -

1. All the participating firms are to be registered with FBR and will be on active-tax Payer List otherwise bid will stand rejected.
2. All the clientele mentioned by bidder in their bids is to be supported by satisfactory completion certificate.
3. The Bids are required to be submitted in two envelopes duly marked as technical and financial proposals. In first stage, only technical bids will be opened. The financial bids of only those firms will be opened which stand technically qualified.
4. The scoring criteria for the selection of consulting firm is as under: -
 - a. The bidder's capability to carry out performance audit and proposes way forward as mentioned in ToRs of all the three entities.
 - b. The bidder who gets the highest score as per selection criteria laid down in para 5 below, will be declared successful.
 - c. Total duration of the study will be 4 weeks.
5. The selection criteria is as under: -

STANDING OF THE FIRM

[10 Points]

- Firm comprising 2 to 5 Partners 04 points
- Firm comprising 6 to 10 Partners 06 points
- Firm comprising on 11 Partners or more 10 points

PREVIOUS EXPERIENCE OF UNDERTAKING SIMILAR ASSIGNMENTS

[30 Points]

- (a) The bidder who has carried out similar study of company (ies) having worth of Rs.10 – 50 billion of the company which was evaluated 10 points
- (b) The bidder who has carried out similar study of company (ies) having worth of Rs.51 – 100 billion of the company which was evaluated 20 points
- (c) The bidder who has carried out similar study of company (ies) having worth of Rs.101 billion and above of the company which was evaluated 30 points

Note: Highest value project will be considered

**QUALITY OF WORK PLAN AND TIME SCHEDULE
IN RESPONDING TO ToR**

[20 Points]

- | | | |
|-------|---|-----------|
| (i) | Clear methodology and response to ToR | 07 points |
| (ii) | Work Plan provides a detailed activity list | 07 points |
| (iii) | Time Schedule is realistic | 06 points |

QUALIFICATION AND EXPERIENCE OF THE PARTNERS AND STAFF

[25 Points]

- Fellow of Society of Actuaries (FSA) / Fellow of Institute of Actuaries (FIA) with 25 years' experience - 4 points per person
- Fellow of Society of Actuaries (FSA) / Fellow of Institute of Actuaries (FIA) with 15 years' experience - 3 points per person
- Associate of Society of Actuaries (ASA) / Associate of Institute of Actuaries (AIA) with 25years' experience - 3 points per person
- Associate of Society of Actuaries (ASA) / Associate of Institute of Actuaries (AIA) with 15 years' experience - 2 points per person

FINANCIAL EXPERTS

[15 Points]

- FCA / Chartered financial analyst (CFA) with 20 years' experience - 3 points per person
- FCA / Chartered financial analyst (CFA) with 10 years' experience - 2 points per person
- MBA (finance) with 15 years' experience - 2 points per person