



**TENDER NO. F&A / AMJ /GULF/01/2021**

**1. INTRODUCTION**

State Life Insurance Corporation of Pakistan plays pivotal role in the Life Insurance Industry of Pakistan. It was incorporated in 1972 and now has 34 zonal offices of which one zonal office with its three branches is in UAE, i.e. "State Life Insurance Corporation of Pakistan Gulf Zone". Our Gulf Zone has been operating in UAE since 1978 under the rules and regulations of Insurance Authority, UAE.

To observe the [Federal Law No \(6\) of 2007 covering Insurance Companies & Agencies and The Executive Regulations and Financial Regulations 2014 and various circulars and directives](#) of the Insurance Authority, UAE, State Life requires the services of an Audit firm to fulfill its responsibilities as per insurance rules and regulations of UAE. Mainly, it includes the audit of our financial reports to be submitted on quarterly, half yearly, and as per circulars of Insurance Authority, UAE, mentioning the reporting requirements for the submission of financial and other reports and annual basis along with its review and several other reports which are required to be audited/ authenticated by the Audit Firm.

**2 Accounting Centers to be audited**

- 2.1. UAE
- 2.2. Kuwait
- 2.3. KSA

**3 Scope of Work**

- 3.1. Commencement of audit of accounts of Dubai (Main Office) along with 3 collection offices.
- 3.2. Audit of Consolidated Trial Balance.
- 3.3. Submission of final audited trial balances duly stamped of all locations to Principal Office for consolidation purpose and to meet the reporting requirements of the Group Lead auditors in Pakistan.
- 3.4. Audit of Financial Statements in English and Arabic languages for the quarters of March, June, September, and Annual Accounts.
  - 3.4.1. Statement of financial position.
  - 3.4.2. Statement of Comprehensive Income.
  - 3.4.3. Income Statement.



- 3.4.4. Statement of Change in equity.
- 3.4.5. Statement of Cash Flows.
- 3.4.6. Notes to the Financial Statements.
- 3.4.7. As per Financial Regulations 2014 Article No. (10) **Reporting Requirements to the Authority** clause (2)

"The Company shall submit to the Authority an annual risk analysis report of its investment portfolio, strategy and management process which is certified by the Actuary, authenticated by the Statuary Auditor and endorsed by the Chairman of the Board of Directors. The timeline for submission of this report will be at the same time as the submission of the audited annual financial results. The risk analysis report should include, but is not limited to, the following:"

- a) A summary of the overall investment strategy as outlined in Addendum (2);
- b) Analysis of the investment portfolio classifies as per the regulations in Article (3) above; and
- c) Analysis of the Market and Liquidity (Investment) Risk and Credit Risk, including scenario / stress testing, as outlined in Addendum (3).

Audit Firm is supposed to authenticate the annual risk analysis report of its investment portfolio, strategy and management process which is certified by the Actuary.

- 3.4.8. Regulatory returns as required by Insurance Authority as per circular number 21 of 2019 regarding 2020 Reporting Requirements for all insurance companies operating in the UAE. (Copy of this circular is available on official website of Insurance Authority UAE, i.e [www.ia.gov.ae](http://www.ia.gov.ae)) duly authenticated by Audit Firm including the following:-

- Complete e-Forms audited by the Audit Firm.
- Complete line item reconciliation between e-Forms and audited financial statements for each quarter, half year and annual return.
- Annual audited financial statements with auditor's report in English and Arabic.



- Quarterly financial statements based Financial Regulation with Audit Firm's review in English and Arabic.
- The annual, semi-annual and quarterly investment Portfolio Risk Analysis report authenticated by the Audit Firm. (included in Circular No.21)
- The full annual technical provision report of the actuary of the Company authenticated by the Audit Firm.
- Whatever document/ statement / report received from Audit Firm for its onward submission to the Regulatory Authorities will be in English as well as in Arabic languages separately.
- A description of the role of Audit Firm in the preparation and audit of the annual financial statements.
- A copy of the management letter issued by the Audit Firm regarding internal control systems. (included in Circular No.21)
- Data quality certification letter.(included in Circular No.21)
- Audit Firm authentication letter. (included in Circular No.21)
- Report of the Audit Firm regarding Anti-Money Laundering and Counter-Terrorism Financing in Insurance activities AML/CFT
- Any other report as may be required in accordance with Agreed Upon Procedures (AUP) by the Insurance Authority.
- Audit of the supervision and control fees payable by the insurance company.
- Any other report/statement/information required by Insurance Authority UAE or emerged on the introduction of new law or amendment in the existing laws.

As 30<sup>th</sup> April, 15<sup>th</sup> May, 15<sup>th</sup> August, and 15<sup>th</sup> November are the mandatory dates for submission of annual and quarterly accounts and other reports respectively, therefore, accounts initialed by auditors will be submitted two weeks before the deadline.

4 **Eligibility Criteria:**

4.1 The firm should:



- 4.1.1 Have valid License issued by the local Authority to operate in UAE **(Please attach in technical proposal).**
- 4.1.2 Be qualified having relevant professional certification from well renowned institution **(Please attach the proof).**
- 4.1.3 Have at least 2 years' experience of auditing with life insurance companies in UAE **(Please attach proof).**
- 4.1.4 Be registered with Federal Tax Authority (FTA), UAE. **(Please attach the document).**
- 4.1.5 Have provided Auditing services to Company having head office/ branch office in Pakistan.
- 4.1.6 In past 5 years, no action of local Authority of UAE/Pakistan is taken against them **(Bidder is required to attach an undertaking to this effect. Undertaking must be signed and stamped by authorized officer).**

5 **Evaluation Criteria.**

Sr. No.	Para No.	Parameters	Distribution of Marks	Response of Firm	Proof of response is attached at Page No. ___ /Flag No. ___
1.	5.1	Firm's standing			
		Number of Partners:			
		5 and Above	10		
		4 Partners	08		
		3 Partners	06		
2	5.2	Number of staff engaged as full time employee/trainee:			
		Above 76+	10		
		From 51-75	08		
		From 26-50	06		
		From 10-25	04		
3	5.3	Association with a foreign (outside UAE) Auditing Firm			
		Association	05		
		No association	0		
4	5.4	No. of Ins. Companies in UAE in which bidder is currently providing the statutory audit service or has provided statutory audit service in past two years.			
		3 or Above	15		
		2	10		

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		1	05		
5	5.5	Monetary size of Balance Sheet of individual client to whom audit services were provided in last 05 years (Please quote one client having maximum footings of balance sheet).			
		Above AED 1000 Million	15		
		AED 801 (M) - 1000 (M)	12		
		AED 601 (M) - 800 (M)	09		
		AED 401 (M) - 600 (M)	06		
		AED 200 (M) - 400 (M)	03		
6	5.6	Experience of auditing of life insurance companies			
		Above 08 years	15		
		Above 6 years – upto 8 years	12		
		Above 4 years –upto 6 years	08		
		2 years – 4 years	04		
7	5.7	Number of students/incumbents who completed articleship for their professional certification in 2020.			
		5 or above	10		
		4	08		
		3	06		
		2	04		
8	5.8	Any of the partners who availed maximum CPD Hours during 2020.			
		Above 50	10		
		41-50	8		
		31-40	6		
		21-30	4		
		10-20	2		
9	5.9	No. of Branches of Bidding Firm in UAE.			
		Above 6	10		
		5-6	7		
		3-4	4		
		1-2	2		

## 6 **Financial Bids**

6.1 The financial and technical proposals should be submitted separately in sealed envelopes.

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- 6.2 Financial bids submitted should include the consultancy fee and out of pocket expenses, if any.
- 6.3 Financial bids of the bidders who score at least 60 marks on the technical evaluation will be opened.

**7 Technical Proposal**

For appointment as Statutory Auditors for conducting Review of State Life Gulf Zone's Quarterly, Half Yearly Accounts and Audit of Annual Accounts for the Year ending 31<sup>st</sup> December, 2021

Tender to be submitted to:

Mr. Muhammad Arshad Bhatti  
Zonal Accountant  
State Life Insurance Corporation of Pakistan  
503- Sheikh Saud Bin Sagar Al Qasim Building,  
Salahuddin Road, P.O. Box No. 11278 Deira Dubai, UAE.  
Phone # 00971-42729061  
Cell # 00971-529951220  
Web:www.statelife.com.pk

Submitted by (name): \_\_\_\_\_ Designation: \_\_\_\_\_  
Company's Name: \_\_\_\_\_

**7.1 Company's basic information:**

a.	Name of Firm		
b.	Registered Address of Firm		
c.	Contact person's name/title	Name:	
		Title:	
d.	Phone No.	Cell No.	
e.	Fax No:	Email	
		Web:	
f.	Names of partners	(Please attach list)	

7.2 The Technical and Financial Proposals, complete in all respect, should be submitted latest by **22<sup>nd</sup> February, 2021 by 11.00 AM**. Technical and Financial proposals should be submitted



separated duly sealed and labeled as “Technical Proposal” and “Financial Proposal” at the address given at para 7.

7.3 No proposal shall be entertained if the technical and financial proposals are not separately sealed, bound and company’s stamp is not affixed on envelops.

7.4 Financial Bids will be opened of those bidders only, who will score minimum 60 in the technical proposal. Un-opened financial proposals/bids of technically disqualified bidders will be handed over to representatives of the respective bidders.

## 8 **Financial Proposal**

For appointment as Statutory Auditors for conducting Review of State Life Gulf Zone’s  
Quarterly, Half Yearly Accounts and Audit of Annual Accounts for the Year ending 31<sup>st</sup>  
December, 2021

Tender to be submitted to:

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Salah uddin Road, P.O. Box No. 11278 Deira Dubai, UAE.  
Phone # 00971-42729061  
Cell # 00971-529951220  
Web:www.statelife.com.pk

Submitted by (name): _____ Designation _____
Company’s Name: _____

### 8.1 **Company Information:**

a)	Name of Firm	
b)	Tax Registration of Firm	(Attach copy)

### 8.2 **Financial Proposal**

a)	Audit Fee	AED _____ _____
b)	Out of pocket expenses, if any	AED _____ _____

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C)	Federal/Provincial Taxes (if applicable)	AED _____ _____ _____
d)	Grand total (a+b+c)	AED _____ _____ _____

Date: \_\_\_\_\_

Authorized signature: \_\_\_\_\_

Name: \_\_\_\_\_

Encl: a) Registration Certificate with Federal Tax Authority.

Title: \_\_\_\_\_

b) Technical Bid has been submitted separately.

8.3 State Life will deduct all the applicable taxes at the rate prescribed under the relevant tax laws.

**09. Illustration of Filling Technical Proposal**

For appointment as Statutory Auditors for conducting Review of State Life Gulf Zone's Quarterly, Half Yearly and Audit of Annual Accounts for the Year ending 31<sup>st</sup> December, 2021

Tender to be submitted to:

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Zonal Accountant  
State Life Insurance Corporation of Pakistan  
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Salah uddin Road, P.O. Box No. 11278 Deira Dubai, UAE.  
Phone # 00971-42729061  
Cell # 00971-529951220

Submitted by (name): Mr. Ali

Company's Name: ABC Auditing Firm

**9.1 Company's basic information:**

a.	Name of firm	<b>ABC Auditing Firm</b>
b.	Registered Address	<b>Shahrah-e-faisal, near FTC Building Karachi</b>
c.	Contact person's name/title	Name: <b>Mr. Ali</b> Title: <b>Partner</b>



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d.	Phone No.	<b>021-3333333</b>	Cell No.	<b>0300-0000000</b>
e.	Fax No:	<b>021-4444444</b>	Email	<b>ali@yahoo.com</b>
f.	Names of partners	(Please attach list) <b>Please see Flag A</b>		

**9.2 Company's profile**

Sr. No.	Para No.	Parameters	Distribution of Marks	Response of Firm	Proof of response is attached at Page No.____/Flag No.____
1.	5.1	Firm's standing			
		Number of Partners:			
		5 and Above	10	6 Partner	FLAG-C
		4 Partners	08		
		3 Partners	06		
2	5.2	Number of staff engaged as full time employee/trainee:			
		Above 76+	10	80 STAFF	FLAG-D
		From 51-75	08		
		From 26-50	06		
		From 10-25	04		
3	5.3	Association with a foreign (outside UAE) Auditing Firm			
		Association	05	Association with 01 foreign firm	FLAG-E
		No association	0		
4	5.4	No. of Ins. Companies in UAE in which bidder is currently providing the statutory audit service or has provided statutory audit service in past two years.			
		3 or Above	15		
		2	10	02	FLAG-F
		1	05		
5	5.5	Monetary size of Balance Sheet of individual client to whom audit services were provided in last 05 years (Please quote one client having maximum footings of balance sheet).			
		Above AED 1000 Million	15		
		AED 801 (M) - 1000 (M)	12	AED 850 M	
		AED 601 (M) - 800 (M)	09		

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		AED 401 (M) - 600 (M)	06		
		AED 200 (M) - 400 (M)	03		
6	5.6	Experience of auditing of life insurance companies			
		Above 8 years	15		
		Above 6 years – Upto 8 years	12	7 years	FLAG-G
		Above 4 years – Upto 6 years	08		
		2 years – 4 years	04		
7	5.7	Number of students/incumbents who completed articleship for their professional certification in 2020.			
		5 or above	10		
		4	08		
		3	06	3	FLAG-H
		2	04		
8	5.8	Any of the partners who availed maximum CPD Hours during 2020			
		Above 50	10		
		41-50	8		
		31-40	6	40	FLAG-I
		21-30	4		
		10-20	2		
9	5.9	No. of Branches of Bidding Firm.			
		Above 6	10		
		5-6	7	5 Branches	FLAG-J
		3-4	4		
		1-2	2		

Minimum qualifying marks=60

Date: \_\_\_\_\_

Authorized signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

### **9.3 Illustration (of weighted average 70:30 ratio)**

Let five consultancy firms participate in the bidding process. After evaluation of their technical bid, financial bids of four bidders opened while financial bid of 3<sup>rd</sup> bidder (bidder C) is returned, scoring less than 60 marks in technical evaluation. The data of all bidders is tabulated as under:

Sr. No.	Name of Bidder	Marks obtained in Technical Bid	Total Financial Bid (AED)
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1	A	95	140
2	B	89	110
3	C	58	Not opened
4	D	78	100
5	E	80	90

Sr. No.	Name of Bidder	Technical evaluation after assigning 70% weight	Financial evaluation after assigning 30% weight	Total Marks (Tech. + fin)
1	A	$95/95*70=70.00$	$90/140*30=19.28$	89.28
<b>2</b>	<b>B</b>	<b><math>89/95*70=65.57</math></b>	<b><math>90/110*30=24.54</math></b>	<b>90.11</b>
3	D	$78/95*70=57.47$	$90/100*30=27$	84.47
4	E	$80/95*70=58.94$	$90/90*30=30$	88.94

In this way Bidder "B" will be evaluated lowest with highest marks of 90.11.

## 10. General Terms & Conditions:

### 10.1 Instructions to Responding Firms.

- To state complete name of the firm, complete address, telephone number, fax number, email address, website address (if any).
- Names of partners including their scope of involvement.
- Name and designation of contact person.
- Title, bank name and account number of the firm.
- Supporting materials should not be the part of the main proposal but should be placed as annexure, and referring the Page No/Flag No. while filling the technical proposal in the column "Proof is attached at Page No\_\_\_/Flag No\_\_\_".

### 10.2 Validity of the proposal.

All proposals and price shall remain valid for a minimum period of 90 days from the closing date of submission of proposal.

### 10.3 Validity of the Contract



The contract is valid for 01 year extendable to further 04 year.

**10.4 Ownership.**

The ownership of all products and services rendered under this contract arising as a result of this bidding process will be the sole property of State Life Insurance Corporation of Pakistan.

**10.5 Governing Laws**

This request for Proposal and any contract executed pursuant to this bidding shall be governed by and construed in accordance with the relevant laws.

**10.6 Acceptance or Rejection of Proposals**

State Life Insurance Corporation reserves the right not to accept the lowest or any proposal and to cancel the bidding process as per PPRA Rules.

The decision of State Life Insurance Corporation will be binding on all concerned and will not be challengeable at any forum.

**10.7 Minimum Qualifying marks in Technical Proposal**

Minimum qualifying marks in technical proposal is 60. The financial bids of the bidders, securing less than qualifying marks (60) will be returned un-opened.

**10.8 Free of Cost Availability of Bid Form and contact person for enquiries:**

The Bid Form can be obtained from F&A Division, State Life Insurance Corporation of Pakistan at the following address, and can be down loaded from the website of state life [www.statelife.com.pk](http://www.statelife.com.pk)

Mr. Muhammad Arshad Bhatti  
Zonal Accountant  
State Life Insurance Corporation of Pakistan  
503- Sheikh Saud Bin Sagar Al Qasim Building  
Salah uddin Road P.O. Box No. 11278 Deira Dubai, UAE.  
Phone # 00971-42729061  
Cell # 00971-529951220  
Fax # 00971-42729051

**10.9 Submission of proposal**

Tender documents may be obtained from the office of Zonal Accountant (Finance & Accounts) after appearance of this advertisement on the websites of PPRA/State Life. The



interested bidders shall submit the proposals which shall be physically separated, sealed and labeled as “Technical Proposal” and “Financial Proposal” to the Zonal Accountant (Finance & Accounts) at the above address latest **22.02.2021 at 11:00 A.M.**

No proposal shall be entertained if the technical and financial proposal are not separately sealed, bound and company’s stamp is not affixed on envelopes.

While filling technical proposal, firms are required to insert the data in the column “Response of Firm” and give the reference of Page No. or Flag No. in the column “Proof is attached at Page No\_\_\_\_/Flag No\_\_\_\_”.

#### **10.10 Payment of Fee**

Payment of fee will be made one month after approval of accounts by BoD and submission of Insurance Authority of respective quarter end.

#### **10.11 Opening of Bids**

**Technical Bid** will be opened on last day of submitting the proposal i.e. **22.02.2021 at 11.30 A.M.**, in the presence of representatives of firms participating firms are requested to observe the time strictly.

#### **Financial Bid Opening**

The date of opening of financial bid will be conveyed to all bidders through email / letter / telephone.

#### **10.12 Bid evaluation criteria**

All bids will be evaluated on the basis of weighted average. 70% weight will be assigned to Technical bid and 30% weight to financial bid (para 9.3 for illustration).

#### **10.13 Pre Bid Meeting**

Pre-bid meeting will be held on **15.02.2021 at 11.00 A.M** at the under mentioned venue.

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State Life Insurance Corporation of Pakistan  
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Salah uddin Road, P.O. Box No. 11278 Deira Dubai, UAE.  
Phone # 00971-42729061  
Cell # 00971-529951220

#### **10.14 Escalation**



No escalation in first two years but may be given on request basis as maximum by inflation rate declared by UAE government.

**10.15 Firms not eligible to participate**

The Bidder not fulfilling the criteria mentioned at para 4 (including 4.1.1 to 4.1.6) will not be eligible to participate in this tender. The participating bidders are requested to attach proof of 4.1.1 to 4.1.6 and flag the same.

**10.16 Non-Disclosure Agreement (NDA)**

Bidder needs to sign an NDA agreement with SLIC.