



## **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 four branches is located 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 and annual basis along with review and several other reports which are required to be audited/authenticated by the statutory auditors.

## **2 Accounting Centers to be audited**

- 2.1. UAE
- 2.2. Kuwait
- 2.3. Saudi Arabia

## **3 Scope of Work**

- 3.1. Commencement of audit of accounts of Dubai (Main Office) along with 3 collection offices.
- 3.2. Submission of final audited trial balances duly stamped of all locations to Principal Office for consolidation purposes and to meet the reporting requirements of the Group Lead auditors in Pakistan.
- 3.3. Audit of consolidated Trial Balance.
- 3.4. Audit of Financial Statements in English and Arabic languages for the months of March, June, September, and December 2020.
  - 3.4.1. Statement of financial position
  - 3.4.2. Profit & Loss Account
  - 3.4.3. Statement of Comprehensive Income
  - 3.4.4. Income Statement



- 3.4.5. Statement of Change in equity
- 3.4.6. Statement of Cash Flows
- 3.4.7. Detail of income & expenses
- 3.4.8. As per Financial Regulations 2014 Article No. (10) **Reporting Requirements to the Authority** clause (2) reproduced below

"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 External 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 classified 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).
- 3.4.9. 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 statutory auditors including following:-
- Complete e-Forms audited by the statutory auditor
  - Complete line item reconciliation between e-Forms and audited financial statements for each quarter and annual return.
  - Annual audited financial statements with auditor's report in English and Arabic.
  - Quarterly financial statements based on Financial Regulation with statutory auditor's review in English and Arabic.



- The annual and quarterly investment Portfolio Risk Analysis report authenticated by the external auditors. (included in Circular No.21)
- The full annual technical provision report of the actuary of the Company authenticated by the auditor.
- Whatever document/ statement / report received from Statutory 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 statutory auditor in the preparation and audit of the annual financial statements.
- A copy of the management letter issued by the Statutory Auditor regarding internal control systems. (included in Circular No.21)
- Data quality certification letter.(included in Circular No.21)
- Statutory auditor authentication letter. (included in Circular No.21)
- Report of the Statutory Auditor 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 laws or amendment in the existing laws from time to time.

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 5 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 latest satisfactory quality control report (QCR) ***(Please attach proof)***
- 4.1.6 Have provided Auditing services to Pakistan based Insurance Company.
- 4.1.7 In past 05 years no action of local Authority of UAE/Pakistan is taken against firm ***(Bidders are required to attach an undertaking to this effect. Undertaking must be signed and stamped by an authorized officer)***

## 5 **Evaluation Criteria.**

- 5.1 Number of partners.
- 5.2 Number of staff engaged on full time.
- 5.3 Association with a foreign (outside UAE) auditing firm.
- 5.4 No. of Insurance Companies in UAE in which bidder is currently engaged in carrying out audit.
- 5.5 Monetary size of balance sheet of individual client to whom audit services were provided in last 05 years.
- 5.6 Experience of auditing of life insurance companies.
- 5.7 Number of Chartered Accountants Qualified through firm in latest examination.
- 5.8 Any of the partners who availed maximum CPD Hours during 2018.

## 6 **Financial Bids**

- 6.1 The financial and technical proposals should be submitted separately in sealed envelopes.
- 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, 2020

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 Company's profile**

Sr. No.	Para No.	Parameters	Response of Firm	Proof of response is attached at Page No. ___ /Flag No. ___	Distribution of Marks
1.	5.1	Firm's standing			
		Number of Partners:			
		5 and Above			10

*Tender Documents for:  
Appointment of Auditing Firm for statutory Audit  
for the year 2020 for Gulf Zone*



INSURANCE CORPORATION OF PAKISTAN

		4 Partners			08
		3 Partners			06
		2 Partners			04
2	5.2	Number of staff engaged as full time employee/trainee:			
		Above 100+			10
		From 50-100			08
		From 25-50			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 engaged in carrying out audit			
		3 or Above			15
		2			10
		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			20
		AED 800 (M) - 1000 (M)			16
		AED 600 (M) - 800 (M)			12
		AED 400 (M) - 600 (M)			08
		AED 200 (M) - 400 (M)			04
6	5.6	Experience of auditing of life insurance companies			
		Above 10 years			20
		8 years – 10 years			15
		6 years – 8 years			10
		5 years – 6 years			05
7	5.7	Number of Chartered Accountants Qualified through firm in latest examination			
		5 or above			10
		4			08
		3			06
		2			04
8	5.8	Any of the partners who availed maximum CPD Hours during 2018			
		Above 100			10
		80-100			8
		60-80			6
		40-60			4
		20-40			2

*Tender Documents for:  
Appointment of Auditing Firm for statutory Audit  
for the year 2020 for Gulf Zone*



INSURANCE CORPORATION OF PAKISTAN

Minimum qualifying marks=60

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

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

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

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

- Encl: a) All supporting documents.  
b) Financial Bid has been submitted separately.

7.3 The Technical and Financial Proposals, complete in all respect, should be submitted latest by 27<sup>th</sup> February, 2020 by 11.00 AM. Technical and Financial proposals should be submitted separately duly sealed and labeled as "Technical Proposal" and "Financial Proposal" at the address given at para 7

7.4 No proposal shall be entertained if the technical and financial proposals are not separately sealed and company's stamp is not affixed on envelopes.

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

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

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

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

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

- Encl: a) All supporting documents.  
b) Financial Bid has been submitted separately.

## **8 Financial Proposal**

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Phone # 00971-42729061

*Tender Documents for:  
Appointment of Auditing Firm for statutory Audit  
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INSURANCE CORPORATION OF PAKISTAN

Cell # 00971-529951220  
Web: www.statelife.com.pk

Submitted by (name): _____ Designation _____ Company's Name: _____
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**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 _____ _____
C)	Federal/Provincial Taxes (if applicable)	AED _____ _____
d)	Grand total (a+b+c)	AED _____ _____

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

Authorized

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

- Encl: a) Registration Certificate with Federal Tax Authority.  
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 Filing Technical Proposal**

For appointment as Statutory Auditors for conducting Review of State Life Gulf Zone's  
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Year ending 31<sup>st</sup> December, 2020



*Tender Documents for:  
Appointment of Auditing Firm for statutory Audit  
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INSURANCE CORPORATION OF PAKISTAN

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

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>		
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	Response of Firm	Proof of response is attached at Page No. ___ /Flag No. ___	Distribution of Marks
1.	5.1	Firm's standing			
		Number of Partners:			
		5 and Above	6 Partner	FLAG-C	10
		4 Partners			08
		3 Partners			06
		2 Partners			04
2	5.2	Number of staff engaged as full time employee/trainee:			
		Above 100+	120 STAFF	FLAG-D	10
		From 50-100			08

*Tender Documents for:  
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INSURANCE CORPORATION OF PAKISTAN

		From 25-50			06
		From 10-25			04
3	5.3	Association with a foreign (outside UAE) Auditing Firm			
		Association	Association with 01 foreign firm	FLAG-E	05
		No association			0
4	5.4	No. of Ins. Companies in UAE in which bidder is currently engaged in carrying out audit			
		3 or Above			15
		2	02	FLAG-F	10
		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			20
		AED 800 (M) - 1000 (M)	AED 850 M	FLAG-G	16
		AED 600 (M) - 800 (M)			12
		AED 400 (M) - 600 (M)			08
		AED 200 (M) - 400 (M)			04
6	5.6	Experience of auditing of life insurance companies			
		Above 10 years			20
		8 years – 10 years	4 years	FLAG-H	15
		6 years – 8 years			10
		5 years – 6 years			05
7	5.7	Number of Chartered Accountants Qualified through firm in latest examination			
		5 or above			10
		4			08
		3	3	FLAG-I	06
		2			04
8	5.8	Any of the partners who availed maximum CPD Hours during 2018			
		Above 100			10
		80-100			8
		60-80	60	FLAG-J	6
		40-60			4
		20-40			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)
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 Audit 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 years.

**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 of Pakistan.

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 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



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Cell # 00971-529951220  
Web: www.statelife.com.pk

#### **10.9 Submission of proposal**

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 27.02.2020 at 11:00 A.M.

No proposal shall be entertained if the technical and financial proposal are not separately sealed 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 within 60 days of submission of Audit report and other deliverables.

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

**Technical Bid** will be opened on last day of submitting the proposal i.e. 27.02.2020 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 (please refer para 9.3 for illustration).

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

Pre-bid meeting will be held on 19.02.2020 at 11.00 A.M at the under mentioned venue.



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**10.14 Escalation**

In case of renewal of contract, escalation in the audit fee may be considered to a maximum of inflation rate prevalent in UAE at that time.

**10.15 Firms not eligible to participate**

The Bidder not fulfilling the criteria mentioned at para 4 (including 4.1.1 to 4.1.7) will not be eligible to participate in this tender. The participating bidders are requested to attach proof of 4.1.1 to 4.1.7 and flag the same.

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

Successful Bidder needs to sign an NDA agreement with SLIC.