



National Insurance Company Limited
Government of Pakistan
Say No to Corruption

TENDER NOTICE

FINANCIAL ACCOUNTING SERVICES FOR THE PERIOD OF 2018 and 2019

National Insurance Company Limited (NICL) is the most dynamic and progressive public sector organization of the country and is playing a vital role in the economic revival, growth, and development of Pakistan by providing general insurance coverage to the public assets/property.

NICL intends to invite sealed bids for hiring of professional consultancy services for preparation & review of financial information pertaining to Premium, Claim, Bank Reconciliation, Actuarial Information, etc.

Description	Bid Submission Deadline	Technical Bid Opening
Required financial accounting services for preparation & review of financial information pertaining to Finance Vouchers, Premium, Claim, Bank reconciliation, Actuarial Information, etc. for the years ended Dec 31, 2018 and Dec 31, 2019 as per applicable laws.	July 11, 2023 03:00 PM	July 11, 2023 04:00 PM

The bids will be evaluated in terms of Rule 36 (b) of Public Procurement Rules-2004 i.e., "Single stage-two envelope procedure". Bidding documents containing detailed scope of work and evaluation criteria etc. may be obtained (free of cost) from the office of the undersigned upon submission of a written request. This tender notice is also available at NICL website www.nicl.com.pk and PPRA website www.ppra.org.pk.

Bids prepared in accordance with the instructions in the bidding documents containing Technical and Financial Proposals, must reach at address given below on or before July 11, 2023 at 03:00 pm. Technical Proposals will be opened on same day at 04:00 pm in the presence of bidders, representatives (who choose to attend) at the address given below. Bidders will be required to submit Rs.50,000 Bid Security along with their financial proposal in shape of Pay Order in favor of 'National Insurance Company Limited'. Late/ incomplete/ conditional bids will not be entertained.

NICL reserves the right to accept or reject any or all bids in accordance with the relevant clause of Public Procurement Rules (PPR-2004).

Finance Department
National Insurance Company Limited,
2nd Floor NICL Building, Abbasi Shaheed Road, Karachi.
Tel: +92 21-111-642-642 Ext: 6240

Contents

1. Introduction	3
2. Scope of Work.....	3
3. Eligibility Criteria (Minimum Requirements)	4
4. Bid Requirements.....	5
i. Technical Bid	5
ii. Financial Bid	5
5. Bid Validity	6
6. Bid Security	6
7. Payments Schedule	6
8. Award of Contract.....	6
9. General Instructions.....	6
10. Submission and opening of Bids	7
Annex A – Technical Bid Submission Form	8
Annex B- Financial Bid Proforma	9

1. Introduction

National Insurance Company Limited (NICL) is the most dynamic and progressive public sector organization of the country and is playing a vital role in the economic revival, growth, and development of Pakistan by providing general insurance coverage to the public assets/property. NICL intends to invite sealed bids for hiring professional consultancy services for preparation and review of financial information for the financial year from 2018 to 2019.

2. Scope of Work

National Insurance Company Limited (NICL) intends to hire services of a Consulting Firm to carry out the financial accounting services, within a minimum possible time, for the year 2018 & 2019 (including preparation & review of financial information from available records which will include following scope of work, including but not limited to):

“Required financial accounting services for preparation and review of financial information for the years ended Dec 31, 2018, and Dec 31, 2019 as per applicable laws from available data within the Company.”

The detailed scope of work is as following:

a. Review of Posted Voucher

- Review of all material financial vouchers for the year 2018 & 2019 to ensure proper classification of accounting entries according to Insurance Accounting Regulations 2017, Insurance Rules 2017 & International Financial Reporting Standard
- Review of material accruals including but not limited to accrued expenses, bonus payable, salary payable & other liabilities as at Dec 31, 2018 & Dec 31, 2019 along with their relevant accounting entries.
- Review of expenses paid on behalf of tenants to be treated/ classified in relevant periods according to applicable accounting standards.

b. Review of Premium Register

- Review and material verification of the Premium/ Premium Ceded register/ Bordereaux & ensure that premium policies in the system are created according to the Insurance Ordinance 2000 & Insurance Accounting Regulations 2017, Insurance Rules 2017 & International Financial Reporting Standard.
- Review and material verification of Policy & Line of business wise opening & closing earned/ unearned premium.
- Review of business wise premium ceded (including Premium Bordereaux- facultative & treaties).
- Review of Line of business wise opening & closing Prepaid Reinsurance Ceded.
- Review and material verification of party wise opening & closing Advance Premium.

c. Review of Claim Register

- Review of Claim paid register/ outstanding register/ Reinsurance Claim register & ensure that information for IBNR reserves calculation by actuary is as required under SECP guidelines for “Incurred but not Reported Claims Reserve”, 2016.
- Review of policy, party, & LoB wise opening & closing provision for outstanding claims/ claim payable.
- Review & material verification of policy, party & LoB wise Reinsurance & other recoveries received during the year.

- Review & material verification of policy, party & LoB wise opening & closing Reinsurance & other recoveries in respect of outstanding claims.
- Review and material verification of Line of business wise net claim expense.
- Review and material verification of policy & party-wise claim payables ageing report of the Company.

d. Preparation of Bank Reconciliation Statement of one major Bank

Preparation of year wise bank reconciliation statements of one major bank account & current account reconciliation of Head office & Zones. This exercise will include the reconciliation of all material transactions and will also materially reconcile current accounts & sundry debtors.

e. Review of Information to be provided to Actuary.

Review of information to be provided to Actuary related to Employee Retirement Benefits (pension, gratuity, medical benefits & compensated absences) according to applicable laws.

3. Eligibility Criteria (Minimum Requirements)

The technical bid submitted MUST meet each of the following conditions to be considered as qualified.

Sr. No.	Pre-qualification criteria	Documents to be provided	Attached (Y/N)
01.	The Partnership based Chartered Accountancy firm, must be registered with the Institute of Chartered Accountants of Pakistan (ICAP)	Copy of registration Certificate	
02.	Engagement partner should be a Senior (Fellow) member of the institute of Chartered Accountants of Pakistan	Profile, Experience & Fellowship certificate	
03.	Engagement team should have experience of dealing with working style of public sector organizations including audit and accounting issues relevant to Insurance Industry	Profile, Educational Documents, Working Experience of Key engagement team members	
04.	Bidder should be registered with Income Tax and Service Tax department (if applicable)	Attested copy of NTN Certificate Attested copy of SST Registration certificate	

05.	The bidder should have a registered office for similar services at Karachi.	Relevant document verifying ownership or legal lease of the registered office as per list of valid address proof documents.	
-----	---	---	--

4. Bid Requirements

Tender will be conducted under National Competitive Bidding pursuant to 'Single stage two envelopes procedure' as per Rule 36(b) of Public Procurement Rules 2004 (PPR 2004) and is open to all eligible participants of tender as defined in the PPR 2004 that meet the following requirements.

The envelopes shall be marked as ***“Technical Proposal for Financial Accounting Services for the period from 2018 to 2019”*** and ***“Financial Proposal for Financial Accounting Services for the period from 2018 to 2019”*** in bold and legible letters to avoid confusion.

i. Technical Bid

- a. Annex “A” – Bid Submission Form signed and stamped by an authorized representative of the bidder.
- b. Deliverables as per 2. Scope of Work above.
- c. All the documentary evidence (s) required as per 3. Eligibility Criteria.
- d. Signed and stamped copy of this document by authorized representative of the bidder to ensure compliance against each clause and sub-clause of this document.
- e. Initially, only the envelope marked ***“Technical Proposal for Financial Accounting Services for the period from 2018 & 2019”*** shall be opened.
- f. NICL shall evaluate the ***“Technical Proposal for Financial Accounting Services for the period from 2018 & 2019”*** without reference to the price and reject any proposal which does not conform to the specified requirements.
- g. After the evaluation and approval of the “Technical Proposal” NICL shall at a decided time (time Shall be informed the bidders in writing) within the bid validity period.

ii. Financial Bid

- a. ‘Annex “B” – Financial Bid Performa’ with sign and stamp by authorized representative of the bidder.
- b. Bid security of Rs 50,000/- in the form of pay order in the name of ‘National Insurance Company Limited’
- c. The proposal must remain valid for a period of 60 days from the bid submission date.
- d. Taxes will be deducted at the time of the payment as per government rules and regulations.
- e. All payments will be subject to the active taxpayer status of the service provider at the time of release of payment.
- f. The service provider shall pay all such taxes, stamp duty or other duties, fees and other impositions levied under the applicable law, the amount of which is deemed to have been included in the financial bid.
- g. The envelope marked as ***“Financial Proposal for FINANCIAL ACCOUNTING SERVICES FOR THE PERIOD OF 2018 and 2019”*** Shall be retained in the custody of the NICL without being opened till the finalization of ***“TECHNICAL SELECTION PROCESS.”***
- h. Financial Proposals of only those companies/firms shall be opened who will be technically qualified under this process.

- i. The “Financial Proposal for FINANCIAL ACCOUNTING SERVICES FOR THE PERIOD OF 2018 and 2019” shall be opened publicly in front of company/firm or their authorized representatives, who may like to be present, of the technically qualified bidders.
- j. The “Financial Proposal for FINANCIAL ACCOUNTING SERVICES FOR THE PERIOD OF 2018 and 2019” of bidders found technically not qualified shall be returned un-opened to the respective bidders.

5. Bid Validity

- a. All bids submitted must be valid for a period of 60 days after date of submission of bid.
- b. Bid Validity shall remain applicable irrespective of change in other pricing during the period mentioned in 5 (a) above.

6. Bid Security

- a. Bid Security of Rs 50,000/-, in the shape of a pay order in the name of ‘National Insurance Company Limited’, shall be attached in the financial section of the bid.
- b. Bid security other than specified as above shall not be entertained and accepted. NICL shall reject and return such bids to respective bidders.
- c. Bid Security of technically dis-qualified & unsuccessful Bidder(s) shall be released within ten (10) days of the date of issuance of work order to the successful bidder.
- d. Bid Security must be valid for at least the bid validity period.
- e. Bid security of the Bidder shall be forfeited in case it is determined that the Bidder, directly or through an agent, participated or competed in this tender or secured the contract, by any means of corrupt, fraudulent, collusive, or coercive practices as defined under Section 11 of this RFP/bidding document.
- f. Bid security of the successful bidder shall be released after the signing of contract.

7. Payments Schedule

- a. Payment shall be processed on receipt of original invoice which shall be raised in the following manner:

Deliverable Stage	Amount Percentage
Advance on Signing of Contract	35%
On satisfactory completion of work FTY ended Dec 31, 2018	35%
On satisfactory completion of work FTY ended Dec 31, 2019	30%

- b. The Service Provider shall be responsible for all taxes at the time being enforced under prevailing laws of Pakistan including GST, duties, license fees, Insurance, freight charges, local transportation, handling, and other incidental charges etc. incurred or accrued during the term of contract.

8. Award of Contract

- a. The technically qualified bidder with the lowest bid, if not in conflict with any law, rules, regulations, or policy of the Federal Government shall be awarded the contract, within the original or extended period of bid validity.
- b. A work order will be issued by NICL, and service provider must submit Letter of Acceptance (LoA) or acknowledge acceptance via email immediately.

9. General Instructions

- a. The bidder will be selected after an open, competitive, and transparent bidding process in

- view of PPRA Rules, 2004.
- b. Bids must be submitted in English language only.
 - c. NICL may reject all bids or proposals at any time prior to the acceptance of a bid or proposal. NICL shall communicate to all bidders who submitted a bid or proposal, the grounds for its rejection of all bids or proposals but is not required to justify those grounds as per Rule 33 of the PPRA Rules, 2004.
 - d. The bidders shall bear all costs associated with the preparation and submission of their respective bids and NICL will, in no case, be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
 - e. Bidders are under obligations to read and understand complete bidding documents and seek any information/clarification from NICL before the opening of bids. NICL shall not be responsible towards the Bidders for any of their claim or complaint which may arise because of non-reading or misreading the bid documents by the bidders once the bids are opened.
 - f. NICL is the originator of bidding documents, any clarification or interpretation communicated by NICL, whether in response of a query or otherwise, shall be deemed final, conclusive and will remain unquestioned.
 - g. Work order will be issued to the successful bidder. A formal contract will be signed with the successful bidder upon submission of LoA.
 - h. NICL expects that all the bidders shall observe the highest standard of ethics during the procurement and execution of such contract.

10. Submission and opening of Bids

- a) The original bids shall be prepared without any interlineations or overwriting.
- b) The printed copy (original) of bid shall be submitted in two sealed envelopes marked as 'Technical Proposal for Financial Accounting Services for the period from 2018 & 2019' and 'Financial Proposal for Financial Accounting Services for the period from 2018 & 2019'. Unsealed envelopes shall be returned and not entertained by Finance Department at time of submission.
- c) Bids must be delivered at the address given below by July 11, 2023 3:00 P.M with technical bids be opened at 04:00 P.M on the same day in the presence of the Tender Opening Committee & representatives of the firms who may like to be present.

National Insurance Company Limited

Annex A – Technical Bid Submission Form

Date: _____

To,

Finance Department

National Insurance Company Limited (NICL),
2nd Floor, NICL Building,
Abassi Shaheed Road, 74400,
Karachi, Pakistan.

Dear Sir,

1. I/we, the undersigned, being duly authorized to represent and act on behalf of _____
(hereinafter “the Applicant”) have reviewed and fully understood all the clauses of the RFP/bidding document provided by NICL.
2. NICL and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the documents, and information submitted in connection with this application, and to seek clarification from our bankers and clients regarding any financial and technical aspects.
3. NICL and its authorized representatives may contact the following persons for further information, including General and Managerial Inquiries, Personnel Inquiries, Technical Inquiries, Financial Inquiries, when needed.

S No	Name and Designation	Contact Details (Official email and number)

Name & Designation

Signature

National Insurance Company Limited

Annex B- Financial Bid Proforma

S. No	Description	Total Charges
1	Preparation & Review of Financial Information (as per scope) for the year ended Dec 31, 2018	
2	Preparation & Review of Financial Information (as per scope) for the year ended Dec 31, 2019	
	Total	

Note:

- The bid security of Rs 50,000 payable to 'National Insurance Company Limited' must be attached with this Proforma in the sealed financial bid envelope.
- This Proforma must be signed and stamped by a representative of bidder.
- The terms and conditions shall be applicable as per Section 4 ii 'Financial Bid' of this document.