



**Universal Service Fund**

**(A company setup under Section 42 of the Companies Ordinance 1984)**

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**Request for Submission of Proposals (RFP)**

**For**

**Hiring Tax Consultant for Tax & Legal Services**

**Tender ID: USF/TDRS/FIN/2018/01**

**Issued at Islamabad**

**25-05-2018**

<b>USFCo Fourth Floor, HBL Tower, Jinnah Avenue, Islamabad Pakistan</b>	<b>Tel: 051 9212308-09 Fax: 051 9214261 URL: <a href="http://www.usf.org.pk">www.usf.org.pk</a></b>
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## Part I

### 1. Introduction

Universal Service Fund is a company (USF Co) set up under section 42 of Companies ordinance 1984. USF is mandated to plan, develop, finance and execute communication network projects and services to un-served or under-served areas of Pakistan.

USF Co intends to hire the Service of Tax Consultants for supply of Tax Consultancy & Legal Services for a period of One year (Extendable on same terms and conditions) and invites proposals from interested bidders.

### 2. BIDDING PROCESS

Bidders will be selected after an open competitive and transparent Single stage Two Envelop bidding procedure in accordance with Public Procurement Regulatory Authority (PPRA) rule 36(b) & guidelines. Salient features of the bidding process are:

- a. Interested parties are required to submit their bid in single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
- b. Initially, the envelope marked with "TECHNICAL PROPOSAL" will be opened.
- c. The envelope marked as "FINANCIAL PROPOSAL" will be retained in the custody without being opened.
- d. Technical proposals shall be evaluated in the accordance with evaluation criterion prescribed in section 9.
- e. During the technical evaluation no amendments in the technical proposal will be permitted
- f. Technical proposals not meeting the evaluation criterion will be rejected .The financial proposal of bids found technically non-responsive/disqualified will be returned un-opened to the respective bidders.
- g. The financial proposals of technically qualified bids will be opened publicly at a time, date and venue which will be announced and communicated to the bidders in advance.
- h. The bid found to be the lowest evaluated bid shall be accepted

### 3. Eligibility Criteria

Bidders meeting following criteria are eligible to participate in the bidding process.

- a. Bidders registered as firm, Company or AOP have, Category-A only, as per SBP Latest List of Panel of Auditors, are allowed to participate.
- b. Bidder must have a valid practice license from relevant forum /organization /Institute/Court in Pakistan.
- c. Bidder must be registered with FBR for Income Tax and Sales tax (if applicable). Certificates of registration shall be provided
- d. The bidders must be on Active Taxpayers List (ATL) of FBR for Income tax and sales tax (if applicable) on bid submission date.

- e. Bidders having minimum 10 years of working experience in relevant field from the date of incorporation of the company / registration of the firm shall be eligible to participate.
- f. Bidders should have at least five years' experience of handling tax matters of similar nature Governmental and Non-Governmental Non-Profit Entities organizations.
- g. The Engagement/Assignment Director should have at least 10 years' experience of handling tax matters of similar nature Governmental and Non-Governmental Non-Profit Entities organizations
- h. Registered Office or Presence in Islamabad
- i. The bidder shall provide an undertaking (on Stamp paper) that the bidder has not been declared black listed by any Governmental/ Semi-Governmental institutions.
- j. Bidders not fulfilling the above eligibility criteria will not be considered for further technical evaluation.

#### 4. **General Conditions**

- a. The bidder will be selected after an open and transparent bidding process
- b. Proposals shall be submitted in English language.
- c. All prices mentioned in the Financial Proposal shall be in Pak Rupees (PKR).
- d. Each page of the Technical and Financial Proposal shall be signed by an authorized representative of the bidder. The representative's authorization shall be confirmed by power of attorney on a stamp paper accompanying the proposal.
- e. For clarification on any item of this RFP, the applicants may send a written request/Email, up till 05 (five) days before the proposals submission date.
- f. USF may reject all bids or proposals at any time prior to the acceptance of a bid or proposal. USF shall upon request communicate to any supplier or contractor 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 PPRA Rule (33)
- g. USF Co may increase or decrease quantities/Scope of Services as per PPRA rules.
- h. The costs of preparing the proposal and of negotiating the contract, including visits for discussion with USF are not reimbursable.
- i. The bidder shall quote only a single as mentioned in the ToR. Multiple quotes will be rejected
- j. Successful bidder shall ensure to provide the Services as per ToR from the date of signing of contract.
- k. LD @ 0.15% of value of supplies will charged for any delay beyond the stipulated time period.

#### 5. **Bid Security**

- a. A bid security of Rs. 50,000/- in the form of a Pay Order/ Demand Draft/Call Deposit Receipt in the name of "Universal Service Fund" must be attached with the **Technical Proposal**.
- b. The bid security shall be submitted in a separate envelope along with the technical proposal.
- c. Payment of bid security in the form of Cash or Cheque shall not be entertained and such bids shall be returned unopened.

- d. Bid Security of Technically disqualified bidders will be released after 10 days of the intimation of disqualification.
- e. Bid Security of unsuccessful bidders will be released after 10 days of the issuance of contract / purchase order to the successful bidder.
- f. Bid security of the successful bidder will be released after submission of Performance Guarantee equivalent to 5 % of contract / purchase order. Performance Guarantee issued by a Scheduled bank will be accepted only.
- g. Performance Guarantee will be released after successful discharge of warranty.

6. **Technical Proposal**

Technical Proposals to be submitted by the applicants shall be in compliance with the requirements laid down in the RFP and ToR.

The Technical proposal shall be clearly marked with the following:-

***“TECHNICAL PROPOSAL”***

The technical proposal shall include;

- a. A covering letter from the head of the company or an authorized representative of the applicant entailing the objectives and the executive summary.
- b. Complete profile of bidders, Registration Certificates, practice license documents, List of Tax clients, CVs of professionals dealing with Tax matters and other documentary evidence to confirm the eligibility and evaluate the bid as per evaluation Criterion prescribed in these documents.
- c. Compliance against each clause and sub-clause of RFP and ToR must be attached. Following conventions shall be used in the compliance checklist;
  - i. Fully Complied (FC)
  - ii. Not Complied (NC)
- d. Additional Information (If Any)
- e. Non compliance to any clause and sub clause of RFP and ToR may lead to disqualification.

7. **Financial Proposal**

The bidder shall submit Financial Proposals in separate envelope. Envelop shall be clearly marked with the following:-

***“FINANCIAL PROPOSAL***

The Financial Proposal shall include the following;

Sr	Description	Category	Price	Unit
a	Regular Services	Retainer ship fee		Monthly Fixed Lump sum

		Out of Pocket		Fixed or % of Fee
b	Call out Basis Services	Appeal to Commissioner (Including Stay application)		Per case/Appeal Lump sum charges all inclusive i.e. out of pockets, fee etc. (from filing till decision)
		Appeal to ADRC / Tax Ombudsmen/FTO		
		Appellate Tribunal (Stay Case)		
		Appellate Tribunal (Appeal/Case)		
		High Court (Stay Case)		
		High Court (Appeal/Case)		
		Supreme Court (Stay Case)		
		Supreme Court (Appeal/Case)		
		<b>Total Price</b>		
		<b>Sales Tax (if applicable)</b>		
		<b>Total Financial Bid</b>		

Note: Per case fee will be considered in financial evaluation. Stay case is only stay request without any appeal/case and vice versa. In case of Case/Appeal with Stay request, Fee of Stay case & Appeal/Case fee will be added.

- a. A lump sum cost along-with the complete detailed item wise cost breakup inclusive of all applicable taxes shall be provided as provide in above table.
- b. Cost Price & Sales tax where applicable should be mentioned separately against each item.
- c. The proposal must remain valid for a period of 90 days after the financial bid date.
- d. All applicable taxes (Income and Sales) will be deducted at the time of the payment as per government rules and regulations.
- e. If applicable, payments will be subject to clearance of active taxpayer status of the suppliers at the time of release of payment .If registered supplier is not in ATL; their payments will be stopped till their name appears on ATL of FBR.
- f. The Successful bidder 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.

#### 8. **Submission, Opening and Receipt of Proposals**

- a. The Technical and Financial Proposals shall be prepared without any interlineations or overwriting.
- b. Technical and Financial proposal shall be submitted in separate envelopes.
- c. The envelopes shall be marked separately as “**Technical Proposal**” and the “**Financial Proposal**” in bold and legible letters to avoid confusion.
- d. Proposals must be delivered at the address given below on or before **1000 Hrs (PST), June 05, 2018.**

Senior Manager Accounts  
 Universal Service Fund,  
 4<sup>th</sup> Floor, HBL Tower, Jinnah Avenue  
 Blue Area, Islamabad, Pakistan

Tel: (92-51) 9212308-09  
 Fax: (92-51) 9214261  
 Email: [it.tenders@usf.org.pk](mailto:it.tenders@usf.org.pk)

- e. Technical Proposals shall be opened the same day i.e. **June 05, 2018** at **1030 Hrs (PST)**, in presence of all the applicants who choose to be present.
- f. The evaluation of Technical Proposals will be carried out as per evaluation criteria given in section 9. The results of the technical evaluation will be communicated to all the applicants.
- g. Financial proposals of the technically qualified applicants will be opened publicly, for which the time and date will be communicated to the qualified applicants later on.

9. **Evaluation Criterion**

USF will evaluate the proposals on the basis of their compliance with the RFP, ToR, evaluation criteria, and the point system as specified below.

A proposal shall be rejected during technical evaluation if it does not comply with the RFP and ToR or if it fails to achieve the minimum score as indicated in below

***A- Firm Experience in Tax Matters***

Sr	Description	Maximum Points
i)	Handling of tax matters of Government/Semi Government Organizations funded by Government grants for release of Subsidies (List of Clients)	20
ii)	List of Tax Clients	20
	<b>TOTAL</b>	<b>40</b>

***B- Personnel Capabilities/Qualifications/Expertise (Only Tax Matters)***

Sr	Description	Numbers	Relevant Experience
i)	Partners registered with relevant bodies	10	10
ii)	Qualified tax practitioners/Lawyers in Employment	10	10
iii)	Staff/Team Qualification & Experience for tax Matters in Employment	10	10
	<b>TOTAL</b>	<b>30</b>	<b>30</b>

CVs of each individual are required for evaluation/markings. List/details of clients must be restricted to tax matters only. Firm with highest profile will get maximum score with proportionate marks to others.

**Minimum Score to Qualify** **75%.**

10. **Award Of Contract**

The contract will be awarded to the "Technically Qualified" applicant with the Lowest Financial evaluated bid.

11. **PAYMENT TERMS:-**

The payment for the subject Services will be made as per the following plan

- Payment of regular services will be made in four installments, each at end of relevant quarter.
- Payment of Call out services will be made on completion of assignment.



## Part II

### Terms of Reference

#### Scope of Work:

The tax advisor shall perform services in accordance with relevant Income/sales or any other tax laws/rules/procedure/Guidelines. The tax consultant services may include but are not limited to the following

#### **(a) Regular Services:**

1. Preparation of returns of income along with computation of income, Income tax and sales tax liability thereon in line with the provisions of Income Tax Ordinance, 2001, Sales Tax Act 1990, provincial sales tax laws and filing/e-filing the same before the federal & provincial tax authorities.
2. Preparation of Monthly/Quarterly/ Annual Statements/returns or as applicable from time to time of Tax Collected/deducted (Withholding) Income and Sales tax and filing/e-filing the same before the federal & provincial tax authorities
3. Monthly review of Income & Sales tax withheld from payments to vendors and point put deficiencies.
4. Attending assessment /Audit proceedings before the tax authorities, whenever required till finalization of proceedings.
5. Responding to various statutory notices and inquiries from tax authorities
6. Prepare advice and reply the tax notices/letters issued by any tax authority and attend the tax office till settlement.
7. Pursue De-registration of USF Sales tax registration application/case.
8. New Registration as withholding agent with all provisional tax authorities.
9. Renewal/rectification of exemption u/s 2(36) of Income tax ordinance.
10. Approval for insertion in 2<sup>nd</sup> schedule of Income tax ordinance
11. Exemption Certificates from withholding taxes to avoid further charge of advance tax on services hired by Company.
12. Calculations of WHT Tax on employee's salaries.
13. Provide update and educate on the Changes in the Income Tax and Sales Tax ordinance/rules relevant to USF Company.
14. Pursue existing matters pending with Tax authorities at all fora.
15. Any other tax advices/matters required from time to time during the period of contract.

#### **(b) Call out Basis Services**

Drafting of Grounds of Appeal and Statement of Facts / file with Alternate Dispute Resolution Committee /Commissioner of Inland Revenue (Appeals) / Inland Revenue Appellate Tribunal FTO/High Court/ Supreme Court and other appellate authorities in USF's appeal proceedings against assessment orders (including penalty orders, if any) passed by the taxation officer and other appellate authorities and representing (including submitting written representations, wherever required) before various appellate authorities (through suitable counsels, where required).

**Tender Notice**

**Hiring Tax Consultant for Tax & Legal Services**

**Tender No: USF/TDRS/FIN/2018/01**

Sealed tenders are invited from interested bidders for Supply of tax consultancy/legal services to Universal Service Fund Company.

Firms may obtain any further information regarding Bidding Documents from the Office of Universal Service Fund, at 4th Floor, Habib Bank Tower, Jinnah Avenue, Islamabad during office hours Monday to Friday (09:00 AM To 05:00 PM).

Last date for submission of the bids will be 11<sup>th</sup> June 2018 at 10:00 a.m. and will be opened on the same day at 10:30 a.m. in the presence of bidders and/or their authorized representatives at USFCo office. The advertisement can be found on PPRA website (<http://www.ppra.org.pk/>) and on USF website (<http://www.usf.org.pk/>).

USF may reject all bids or proposals at any time prior to the acceptance of a bid or proposal.

**Senior Manager Accounts**

**Universal Service Fund**

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