

Bidding Document

For Internal Auditor for the annual audit of PLDDB

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Livestock & Dairy Development Board

Plot No. 1, Town, Main Canal Road, Near Thokar Niaz Baig, Lahore
Phone: 37457613-4, 99238578 ; URL: www.plddb.pk



Tender Notice

To hire the services of Internal Auditor

Punjab Livestock & Dairy Development Board (PLDDB) is a non-profit Organization established under Section 42 of the Companies Ordinance, 1984. The PLDDB has been aimed to develop Livestock & Dairy sector of the Punjab while facilitating small & large farmers in production, processing & marketing with the latest infrastructure and modern farming technologies to improve their animals' genetics and milk/ meat production ratio.

PLDDB invites the sealed Bids from professional accounting firms/chartered accountant firms with satisfactory QCR rating from the Institute of Chartered Accountants of Pakistan (ICAP). Interested Firms may participate in the tenders while providing following information for the provision of Internal Audit Services as required under the Companies Ordinance 1984.

- Full name of the firm, number of partners, permanent addresses and evidence of formation, preferably in the form of partnership deed.
- Financial Bid against the said services.
- Structure of the firm with list of all key personnel (partners, directors, etc) including their detailed CVs mentioning the qualifications and experience.
- Evidence of auditing the reputable multinational and national companies with annual turnover of PKR 1 billion or more in Pakistan in last 5 years.
- List of qualified chartered accountants with registration numbers.
- Information about infrastructure of the firm with offices details including branches and list of staff strength.
- Annual financial statement for the last five years.
- Interested parties are required to submit at least 2% bid security in favor of PLDDB along with Tender.

Detailed TORs and shortlisting criteria can be obtained by the given bellow office. Tender Notice containing sealed Technical & Financial Bid separately should reach at the under given address on or before 3rd July, 2015 till 10 am. Technical Bid will be opened at 10:30 am and Financial Bid will be opened at 01 pm on the same day in the presence of all Bidders or their authorized representatives, only technically qualified Bidders may participate in the Financial Bid. PLDDB may reject all bids at any time prior to acceptance of a bid as per PPRA Rules.



Finance & Admin

Livestock & Dairy Development Board

Town, Main Canal Road, Near Thokar Niaz Baig, Lahore

57613-4, 99238578; URL: www.plddb.pk



Short listing Criteria

All prospective bidders are hereby informed that following criteria will be considered for shortlisting the Bidders. Consequently, only short listed bidders will be considered for next stage.

Shortlisting of bidders will be done on the basis of score obtained out of 100 according to the following table:

Evaluation Areas	Maximum Score	Score Obtained
A. Bidder's Profile and Strengths	20	
B. Previous Experience	15	
C. Financial Bid	65	
Total	100 Score	

NOTE: In order to qualify for the financial Bid, bidders will be required to obtain a minimum score of seventeen (17) out of thirty five (35).

A. Bidder's Profile and Strengths	Total Marks = 20		
Criteria	Range	Max. Score	Score Obtained
a. Number of Partners	1 – 5	5	
	Exceeding 5	10	
b. Number of clients one billion plus turn over	10-15	05	
	15-20	10	
B. Relevant Experience	Total Marks = 15		
Criteria	Range	Max. Score	Score Obtained
Similar profiled projects:			
a. Internal Audit Experience of Agri Business dealing in livestock, fodder, silage, seeds, semen, etc.	01-05 years	05	
	06-10 years	10	
b. Internal Audit Experience of Public Sector Section 42 Companies (additional marks)		05	
C. Financial Bid	Total Marks = 65		

NOTE: Final score will be considered accumulating Technical & Financial both

Required Documents to be submitted as part of Bid submission

1. Copy of Certificate of Practice (COP) issued by Institute of Chartered Accountants of Pakistan (ICAP)
2. Copy of Partnership Deed of the firm
3. List of all partners along with copies of CNICs
4. Firm's QCR rating by ICAP
5. Firm's profile (with particular reference to relevant external audit experience)
6. Audited financial statements of last three years
7. Statement that the bidder (firm) has not been blacklisted by any of the public sector regulatory bodies, ICAP and/or others.

Scope of Audit:

PUNJAB LIVESTOCK & DAIRY DEVELOPMENT BOARD (PLDDB) is an association NOT-FOR-PROFIT and it is registered as a Company limited by Guarantee having no share capital and is formed not for profit within the meaning of Section 42 of the Companies Ordinance, 1984. The main objective of the Company is to promote, develop, facilitate, improve and expand livestock industry, sector, farming, business and infrastructure in Punjab with the aim of accelerating investment therein and maximizing the potential, using most modern technology, modes and mediums and as part of the poverty alleviation and economic growth of Punjab. The Company acts as an **autonomous body** and is being managed by the **Board of Directors** for carrying out activities and operations as specified in its Memorandum of Association.

PLDDB was incorporated on 7th September 2010 and its financial year ends on 30th of June every year. The Company is registered with Federal Board of Revenue and enjoys Tax Exemption facility being the Not For Profit entity. This company has been financed by Government of Punjab to carry on development and poverty alleviation projects.

The company has its own Standard Operation Procedures (**SOP**) consisting of Financial Rules, HR Manual and Procurement Manual which are duly approved by Board of Directors. In addition to its own procurement rules, PLDDB follows Punjab Procurement Regulatory Authority (PPRA) Rules 2014 as well.

Financial Reporting Framework of the organization consists of following five segments / units / projects:

- 1. Head Office / Project Management Unit (PMU)** which consists of management team including CEO, GMs and Senior Managers, etc. All funds/grants/revenues receipts are deposited in PLDDB main account being operated at The Bank of Punjab and all payments of Head Office as well as projects, segments, etc. are centralized at Head Office and made through (BOP). Major expenses of Head Office include Salaries and its annual Expenses are about Rs. 30 Million.
- 2. Silage Project** is Machinery Intensive and its basis activity was to produce silage. But due to some reasons, machinery is now being run as a Joint Venture with third parties. Total annual expenses of the said project now range from Rs. 25 M to 30 Million.
- 3. Artificial Insemination Development Through Rural**

Development (AIDRY) Project is a social welfare project which aimed to employ rural youth consisting of Artificial Insemination Assistants (AIAs) and Women Livestock Extension Workers (WLEWs). The project was spread in 16 districts of Punjab with field offices. Due to some legal constraints, this project has been temporarily suspended by BoD. Annual expenses of this project are more than Rs. 100 Million.

4. Genetic Improvement Centre is a project which is under progress of completion and yet no operations could be started in this project. Site of this project is Khizerabad District Sargodha. Construction work of the project is in progress. Purpose of this project is to establish Semen Production Units (SPUs) for breed improvement. Operating expenses of the project are lesser than Rs. 10 Million per annum.

5. Livestock Experiment Station (LES) Khizerabad District Sargodha is the major hub and resource centre of PLDDB. This farm was given on a 33 year lease basis from Government of Punjab through its Livestock & Dairy Development (L&DD) Department as per agreement during late 2011. Scope & objective of LES Khizerabad farm include but not limited to develop such type of livestock farming practices so as to meet the increasing demand of milk and meat in the country and with such objective to develop healthy livestock with optimum yield of both milk and meat, in consonance with effective and efficient international scientific trends and modern methodology/research.

Presently, LES Khizerabad is the major activity centre of PLDDB where stocks of all projects are being maintained. This farm comprises of 1660 Acres of Agriculture Land and its major activities include Dairy Farm, Cattle Farm, Sheep Farm and Agriculture Land for cultivation of different crops and green fodders. LES Khizerabad is the main source of income for PLDDB and its annual revenues are more than Rs. 30 Million. Annual Expenses of the farm are about Rs. 70 Million.

Organizational Structure of PLDDB comprises of following four departments / wings :

1. Farm Planning & Production (FP&P)

2. Nutrition Resource Management (NRM)
3. Field Services & Capacity Building (FS&CB)
4. Finance/Accounts and Admin&HR (F&A)

The above narrated projects and activities come within the domain of these four wings and every wing has its own Wing Head to whom due financial powers have been conferred by Board of Directors. Every wing has been assigned own roles and functions.

Scope of Work For Internal Audit- PLDDB

Broad Objectives:

- Review of the systems established to ensure compliance with Approved rules & regulations of PLDDB i.e. Financial Rules, HR Manual, Procurement Rules and applicable Government laws and regulations especially Punjab Procurement Regulatory Authority (PPRA) Rules; which could have a significant impact on operations and reports, and should determine whether PLDDB (the company) is in strict compliance of all relevant applicable rules & regulations.
- Review of reliability of financial and operational information and means used to identify measures, classify, and report such information.
- Review of effectiveness and efficiency of operations to assess whether actual results are in agreement with agreed and established plans and objectives (Duly approved by Board of Directors).
- Review of the existing Financial Rules of the company and gaps, if any and recommendations for improvement in Financial Rules
- Review of the existing HR policies, Organizational Structure & Hierarchy and gaps, if any and recommendations for improvement in HR policies
- Assessment of risks for the development of Internal Audit Plan for the year 2015-16 ensuring that resources are not expended on areas with minimal impact or where the likelihood of occurrence is low.

Coverage Area:

- Review of Entity level controls especially Internal Control Systems and Reporting Line Structure
- Review of Fixed Asset Management.

- Carryout internal audit of transactions for the period from 01 July 2014 to 30 June 2015 on sample basis. Size of sample verification shall be ranged between 25 %-30 % of total transactions. Verification of transactions relating to :
 - Procure to pay (Procurement and expenses).
 - Production (planning, production, QC, plant & machinery maintenance)
 - Human Resource and payroll.
 - Inventory Management.
 - Order to cash (Verification of Sales Specific Consideration and Limitations).
 - Inter Unit Reconciliation & Bank Reconciliations

- Suggestions for next year's internal audit plan based on the assessed risks in different areas and processes.