



Government of Pakistan
PAKISTAN TELECOMMUNICATION AUTHORITY
Headquarters, F-5/1, Islamabad
<http://www.pta.gov.pk>

"SAY NO TO CORRUPTION"

REQUEST FOR PROPOSAL

Tax Consulting Services

Pakistan Telecommunication Authority (PTA)-working as the regulator of telecommunication sector-invites proposals from leading tax consulting firms with experience in telecommunication sector and regulatory authorities within Pakistan.

PPRA rules of Single Stage, single envelope process will be applicable. Detailed RFP document can be obtained by sending an email request or in person at the address below or through PPRA or PTA website directly.

Proposal prepared in accordance with the instructions in the RFP, must reach at the address given below, on or before **02-06-2017 at 15:00 Hrs.** Bids will be opened on the same day at **15:30 Hrs.**

Director (Budget and Accounts)

Phone No. 051-9216004, Email: abdurrab@pta.gov.pk

REQUEST FOR PROPOSAL

Taxation Consultancy Services

Pakistan Telecommunication Authority

1. Introduction

Pakistan Telecom Authority (PTA) is formed by Pakistan Telecom Authority (Re-Organization) Act 1996 (The ACT). PTA is mandated to regulate the telecom industry of Pakistan, issue licenses and create fair regime in the telecom sector. Among other things PTA is also required to collect fees from the operators providing telecom service under license issued by PTA, and the income of PTA is made taxable through an amendment in the ACT by finance ACT 2006.

2. Instructions to Consultants

- i. Single stage – one envelope procedure will be used for tendering process. The bid shall comprise of one single envelope containing proposals for technical and financial components. The bids will be opened and evaluated as per evaluation criteria mentioned in this RFP. Bidders will provide all necessary information as required in the RFP to make the bid responsive.
- ii. The bid envelop shall clearly be marked with the: “PROPOSAL FOR TAX CONSULTANCY” and “Not to be opened before 2nd June, 2017 at 1530 hrs”
- iii. Proposals will be submitted before the last date for submission on the address given at Sr. ii.
- iv. The consultant may request a
- v. Clarification of any of the RFP documents not later than 06 days before the proposal submission date. Any request for clarification must be sent in writing by paper mail, facsimile, or electronic mail to the client’s address given below.

Director (Budget & Accounts)
Pakistan Telecommunication Authority
PTA HQs, F-5/1, Islamabad Pakistan
Email:abdurrab@pta.gov.pk
Tel: +92 (51) 9216004
Fax: +92 (51) 9214039

vi. **Proposal Requirements**

Technical Proposal

- a. Quality
 - a. Tax Partners & Staff (who are members of ICAP or similar international bodies)
 - b. Engagement Partner, Manager and team profiles, experience and qualifications.
 - c. Demonstrable Internal Quality Review Process on Advices / appeals
 - d. Affiliated / Member firm of reputed international firm (within Top 5 ranked worldwide)

- b. Experience
 - a. Experience in Telecommunication industry of Pakistan
 - b. Experience in regulatory Authorities in Pakistan

Financial Proposal

Financial proposals should be divided into the following categories:

- a. Monthly Retainer fee to cover all day to day routine matters.
- b. Hourly rates for additional service is and when required, which may not be covered above.

3. Terms of Reference (Scope of the Assignment)

PTA intends on hiring tax consultancy services for the following key tasks:

A. Tax Advice on existing Tax Structure

- a. Advice on PTA's existing tax structure and contractual arrangements in relation to its position within the telecommunication industry and proposing the most tax efficient / effective model.

B. Monthly Retainer

- a. Preparation and filing of corporate tax return with the Income Tax Department, including the underlying tax computation on finalization of accounts and revision of return, if required.
- b. Preparation and filing of refund application for refund due, if any.
- c. Attendance before the tax authorities and responding to notices issued in connection with the corporate tax return and audit proceedings till finalization of assessment.
- d. Assistance in giving tax credits as per the Income tax ordinance 2001, wherever applicable.
- e. Responding day-to-day notices and other correspondence with the taxation authorities concerning the items listed as a to d above.
- f. Help in interpreting and intimating of any changes in income tax, sales tax, federal excise and custom duty laws, if and when required.
- g. Obtaining exemption certificate from Tax Authorities under various sections of Income Tax Ordinance 2001, as may be required.
- h. Doing all the work that is a to g for Pakistan, AJ&K, Gilgit Baltistan, and all provinces of Pakistan in the manner and as required at each place.

C. Appeals

- a. Preparation and filing of appeal documents with Commissioner of Income Tax (Appeals). Preparation and filing of written submissions and attendance before the Commissioner of Income Tax (Appeals) to argue the appeals.
- b. Preparation and filing of appeal documents with Income Tax Appellate Tribunal. Preparation and filing of statements of facts and attendance to argue appeal before the Income Tax Appellate Tribunal and where required defend the appeal filed by the Tax Department.
- c. Assistance and provision of necessary papers and documents to advocate in appeal before High Court.
- d. Assistance and provision of necessary papers and documents to advocate in appeal before Supreme Court.
- e. Preparation of tax position in respect of each territory that is Pakistan, AJK, GB, and each province separately.
- f. Advising on the tax related matters, and dealing in the tax matters, where ever required.

4. **Evaluation Criteria:**

i. **Essential requirements for Qualification of Bidders**

The following is the list of essential requirements failing which the bidder will be automatically disqualified for further process against this RFP:

- The name of bidder should be in Active Taxpayer List (ATL) of FBR.
- The bidder should be enlisted in all relevant forums of revenue collection.
- The bidder should have at least 5 years existence in provision of tax consultancy service.
- Incorporation and/or existence should be proved from documentary evidence.

ii. **Evaluation Criteria for Technical Proposals:**

Technical proposal shall be evaluated as per the following criteria:

	SR	Criterion	Weightage %	Score	
QUALITY	1	Tax Partners & Managers (who are members of ICAP or similar international bodies) (1 mark per personnel)	10		
	2	Engagement Partner, Manager and team profiles, experience and qualifications	10		
	3	Demonstrable Internal Quality Review Process on Advices / appeals	10		
	4	Affiliated / Member firm of reputed international firm (within Top 5 ranked worldwide = 10, Top 6-10 = 5, Others = 1)	10		
	5	Taxation consulting experience of telecommunication industry of Pakistan (list key transactions) (2 marks per transaction max 20)	20		
	6	Taxation consulting experience of regulatory Authorities in Pakistan (List key transactions) (4 marks per transaction max 20)	20		
		SUB TOTAL QUALITY		80	
		i. ONLY TOP 3 firms will qualify for Financial Evaluation. ii. Supporting documents to be attached with for each evaluation criteria and essential requirements.			

iii. **Award of Consultancy Contract:**

Consultancy contract shall be awarded to the consultant offering the lowest bid price subject to qualifying technical evaluation. If the lowest bid is the same from different consultants, the firm with highest marks in technical evaluation shall be awarded contract.

AGREEMENT

This agreement is made and entered into at **Islamabad** on this _____ day of _____ between Pakistan Telecommunication Authority (hereinafter referred to as the “Client”) having its principal place of business/Headquarters at Islamabad on the one part

AND

M/s _____ (hereinafter referred to as “Consultant ”) having its principal office located at _____ on the other part.

WHEREAS, the Client wishes to have the Consultant perform the services, objectives, scope of work, deliverable and scope of agreement referred to in Request for Proposal (the ‘RFP’)

WHEREAS, the Bidder is willing to perform the services as required by the Client.

NOW THEREFORE THE PARTIES hereby agree as follows:

1. ARTICLE 1: THE PROJECT

The Project for which Services are required to be performed under this Agreement is described in the attached Appendix A.

2. ARTICLE 2: SCOPE OF SERVICES:

2.1 The scope of consultancy and other professional services (herein referred to as "Services") to be performed by the Consultant for the Project under this Agreement are described in the attached Appendix A.

3. ARTICLE 3: TIME SCHEDULE

3.1 Effective Date of Commencement

Effective Date of Commencement of Services shall be as defined in the attached Appendix-B.

3.2 Time Schedule of Services

The time schedule of Services is given in the attached Appendix B.

3.3 Extension of Time

Extension of Time for completion of Services and the terms and conditions thereof shall be mutually agreed between the Client and the Consultant as and when required.

ARTICLE 4: Definitions and interpretations

Definitions and interpretations of the expressions and words used in this agreement shall have the same meaning as given to them in the Pakistan Telecommunication (Re-organization) Act, 1996 (the ‘Act’), Pakistan Telecommunication Rules, 2000 (the ‘Rules’), Pakistan Telecommunication Authority Regulations (the ‘Regulations’) and instructions/ orders/ determinations of PTA, issued from time to time.

ARTICLE 5: MODE OF OPERATION

5.1 Obligations of the Consultant

- The Consultant shall perform Services as an independent consultant in accordance with recognized international standards, applicable laws and regulations.
- The Consultant shall appoint a Project Manager (Appendix -D), who shall represent the Consultant for purposes of this Agreement and shall be responsible for the administration of the Agreement including performance of Services thereunder. He shall remain in contact with the representative of the Client to keep him fully informed on all matters relating to the provision of Services by the Consultant.
- The Consultant shall carry out the Services with due diligence and efficiency and in conformity with sound legal practices.
- The Consultant shall act at all times so as to protect the interests of the Client and shall take all reasonable steps to keep all expenses to a minimum consistent with sound economic and legal practices.
- The Consultant shall furnish the Client such information relating to the Services as the Client may from time to time reasonably request.
- Except with the prior written approval of the Client, the Consultant shall not assign or transfer the Agreement for Services or any part thereof nor engage any other independent consultant or sub-contractor to perform any part of the Services.
- The Consultant agrees that no proprietary and confidential information received by the Consultant from the Client shall be disclosed to a third party unless the Consultant receives a written permission from the Client to do so.

5.2 Obligations of the Client

The Client shall provide to the Consultant:

- All necessary data/documents/reports, as listed in Appendix A, that may be required by the Consultant for performing the Services within the Time Schedule given in Appendix B.
- The Client designates Director (B&A) Appendix-D, as given in to act as its representative on all matters pertaining to this Agreement and to fully cooperate with the Project Manager of the Consultant.
- The Client shall take all necessary measures to make timely payments to the Consultant as stipulated in Article 6, hereof.

5. ARTICLE 6: REMUNERATION FOR SERVICES AND SCHEDULE OF PAYMENT

The remuneration for Services rendered by the Consultant and the mode of payment shall be as described in the attached Appendix-C.

ARTICLE 7: UNDERTAKING

The Consultant shall submit an undertaking duly notarized within three (3) days of the effective date of this Contract, assuring that in the event of failure to comply with TOR and failure to produce quality work at any time of the contract period, the client shall have the right to forfeit the contract price in addition to any other remedies available under the law to claim damages or specific performance of the contract, etc.

ARTICLE 8: ADDITIONAL SERVICES

The Client may ask the Consultant to perform Additional Services during the currency of this Agreement. Such Additional Services shall be performed with the prior concurrence of both the Parties. the Consultant shall submit an estimate of the additional time (if any) and the additional remunerations for such Additional Services which shall be approved in writing by the Client before the commencement of the Additional Services.

ARTICLE 9: TERMINATION

9.1 End of Services

The Agreement shall terminate when, pursuant to the provisions hereof, the Services have been completed and the payment of remunerations have been made.

9.2 Termination by the Client

The Client may, by a written notice of thirty (30) days to the Consultant, terminate this Agreement. All accounts between the Client and the Consultant shall be settled not later than sixty (60) days of the date of such termination.

9.3 Termination by the Consultant

The Consultant may suspend the Agreement by a written notice of thirty (30) days only if the Consultant does not receive payments due under this Agreement within thirty (30) days of submission of its invoice. If the payment is still not made to the Consultant after thirty (30) days of notice of suspension, the Consultant may terminate this Agreement in whole or in part by giving fifteen (15) days advance notice of intent to terminate. If the Agreement is terminated by the Consultant under such circumstances, the Client shall pay, within a period of thirty (30) days of the date of such notice of intent to terminate referred above, all payments due to the Consultant.

ARTICLE 10: FORCE MAJEURE

- 10.1 The term "Force Majeure" as employed herein shall mean acts of God, strikes, lock-out or other industrial disturbances, acts of public enemy, wars, blockades, insurrection, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosions and any other similar events, not within the control of either Party and which by the exercise of due diligence neither Party is able to overcome.
- 10.2 If either Party is temporarily unable by reason of Force Majeure or the laws or regulations of Pakistan to meet any of its obligations under the Agreement, and if such Party gives to the other Party written notice, of the event within fifteen (15) days after its occurrence, such obligations of the Party, as it is unable to perform by reason of the event, shall be suspended for as long as the inability continues. Neither Party shall be liable to the other Party for loss or damage sustained by such other Party arising from any event referred to as Force Majeure or delays arising from such event. Force Majeure shall not include insufficiency of funds or failure to make any payment required under the Agreement.

ARTICLE 11: CONFIDENTIALITY OF CLIENT INFORMATION

- 11.1. The Consultant shall not, during the term of this agreement and after its expiry, disclose any proprietary or confidential information related to the services, this agreement or the Client's business or operations without the prior written consent of the Client. The breach of this clause will enable the Client to take legal action against the Consultant as per applicable laws of the country.
- 11.2. Consultant shall ensure that no application / system shall be affected during the audit due to usage of penetration tools.

ARTICLE 12: STATEMENT OF OWNERSHIP

Any software, report, drawing or other material, graphic, etc or otherwise, prepared by the Consultant for the Client under the agreement shall belong to and remain the property of the Client.

ARTICLE 13: PROHIBITED ACTIVITIES

The Consultant agrees that, during the term of this agreement and after its termination, the Consultant and any entity affiliated with the Consultant shall not provide any information which he may have obtained as a result of this service provision as the same may be harmful to the Client. In case of disclosure of any sensitive information, the party involved will be liable to pay damages to the Client or the Client reserves the right to take legal action as per applicable Laws of the country, as the case may be, and the said Consultant shall be disqualified for any consultancy/agreement/contract in future.

ARTICLE 14: RESOLUTION OF DISPUTES

Any dispute or difference arising out of the Agreement which cannot be amicably settled between the Parties, shall be finally settled under the provisions of the Arbitration Act, 1940 (Act No. X of 1940) and Rules made thereunder as amended from time to time. The venue of arbitration shall be in Pakistan as given in Appendix D, Special Conditions.

ARTICLE 15: ASSIGNMENT

The Consultant shall not assign this agreement or any portion of it without the client’s prior written consent.

ARTICLE 16: PENALTY CLAUSES

If the Bidder fails to provide the deliverables under the Agreement within the time specified in the agreement subject to Force Majeure the Bidder will be subject to the following obligation:

If the service provision is not completed within the stipulated time, the Bidder shall be liable to fine @ Rs. 5,000/- per day, as penalty for the breach.

ARTICLE 17: APPLICABLE LAWS

This Agreement shall, in all respects, be read and construed and shall operate in conformity with the laws of Pakistan and the courts at the location indicated in Appendix D, Special Conditions shall have exclusive jurisdiction for adjudicating and interpreting the Agreement.

ARTICLE 18: CONTRACT AMENDMENT

No variation in or modifications to the terms of the Agreement shall be made, except by a written amendment signed by the Parties hereto.

ARTICLE 19: NOTICES

Any notice given by any of the Parties hereto shall be sufficient only if in writing and delivered in person or through registered mail as follows:

To: The Client -----

To: The Consultant Project Manager,-----

or to such other address as either of these Parties shall designate by notice given as required herein. Notices shall be effective when delivered.

IN WITNESS WHEREOF, the Parties have executed this Agreement, in two (2) identical counterparts, each of which shall be deemed as original, as of the day, month and year first above written.

FOR AND ON BEHALF OF

(The Consultant)

FOR AND ON BEHALF OF

(The Client)

Signed by: -----

Signed by: -----

Designation:-----

Designation:-----

(Seal)

(Seal)

Witness:

Witness:

Signed by:-----

Signed by:-----

APPENDIX A

THE PROJECT

&

SCOPE OF SERVICES

A-1 THE PROJECT

(Refer Article 1 hereof)

A-2 SCOPE OF SERVICES

(With reference to Article 2.1 give detailed scope of consultancy and other professional services to be performed by the Consultant under this Agreement including listing of deliverables such as reports, documents, drawings and number of copies thereof.)

A-3 DATA/DOCUMENTS/REPORTS

(With reference to Article 5.2 list the data, documents and reports which are to be provided by the Client and will be required by the Consultant for performing the Services.)

APPENDIX B

TIME SCHEDULE

B-1 Effective Date of Commencement of Services.

(The date on which this Agreement shall come into effect is the date when the Agreement is signed by both the parties and the amount of advance payment due upon signing of the Agreement is received by the Consultant.)

B-2 Time Schedule of Services

(With reference to Article 3.2 give time schedule of Services taking into account data/documents required from the Client and the time of approval(s) by the Client.)

APPENDIX C

REMUNERATION FOR SERVICES

&

SCHEDULE OF PAYMENT

(With reference to Article 6)

- C-1 Total Remuneration
(lumpsum/Cost plus fee)

- C-2 Advance Payment
(Generally 10% of the total remuneration)

- C-3 Schedule of Payments
(Either in terms of time with respect to Date of Commencement or on submission of deliverables)

APPENDIX D
SPECIAL CONDITIONS

- | | | |
|-----|---|---------------------|
| D-1 | PROJECT MANAGER | (Refer Article 5.1) |
| D-2 | REPRESENTATIVE OF THE CLIENT | (Refer Article 5.2) |
| D-3 | VENUE OF ARBITRATION | (Refer Article 14) |
| D-4 | LOCATION OF THE COURTS
HAVING JURISDICTION | (Refer Article 15) |