

Ref: **GM CM/INDEPENDENT EVALUATOR/SPARES/LLPS/2/2022**

M/S _____

Sub: TENDER FOR VALUATION OF CONSUMABLE / ROTABLES (LRU's) OF PAKISTAN INTERNATIONAL AIRLINES AIRCRAFT PARTS / INVENTORY

Dear Sirs,

We are pleased to invite your sealed tenders "Single Stage Single Envelope" for the Contract mentioned above. Terms & conditions of the tender/ supplies are given below:-

A) SUBMISSION OF TENDER

1. You are required to send your tenders addressed to General Manager Contract Management Supply Chain Management Building PIA, JIAP Karachi latest by **09-03-2022** at **1030 Hrs.** The tenders may be dropped in the tender box marked as "Tender Box Commercial Purchases" placed at the entrance of the PIA Supply Chain Management Department latest by 10:30 hours on the specified date. You may also send your tenders through registered A/D mail addressed to General Manager Contract Management, which must reach before the closing date and time mentioned above. **Tenders will be opened at 11:00 hours** the same day (**09-03-2022**) in the presence of tenderers.

2. Tenders received after stipulated date & times shall not be considered. The Corporation will not be responsible for postal delays. The decision of General Manager Contract Management in this respect shall be final and binding.

3. Bidders are required to submit a Pay Order of Rs.10,000/-(Non-Refundable) as tender fees along with Technical & Financial Proposal (only Local Bidders).

B) EARNEST MONEY/BID SECURITY (Local Bidders)

The Tender should be accompanied a Pay Order payable (valid for 120 days from the date of tender opening) equivalent to 2 % of total bid value in the name of M/S PAKISTAN INTERNATIONAL AIRLINES as interest free Earnest Money (Refundable). Earnest Money in any other shape shall not be accepted. Earnest / Security Money deposited against a running contract (s) purchase orders(s) shall not be transferable as earnest money for any other tender. All tenders without Earnest Money shall not be considered.

C) SECURITY DEPOSIT/PERFORMANCE GUARANTEE (Local Bidders)

The successful tenderer upon award of Contract / Purchase Order will be required to furnish security deposit (pay order) in the amount equivalent to 5% of total tender value as interest free Security deposit and to remain valid 3-months after the expiry period of the Contract. The Earnest Money already held can be converted into Security Deposit and balance amount if any shall be deposited as above.

D) PREPARATION OF TENDER “Single Stage Single Envelope Basis”

- The BID (Tender) submitted shall comprise of a single package containing two sealed envelopes, each envelope shall be marked and will contain “**FINANCIAL**” and “**TECHNICAL**” proposal.
- On the given tender opening date both “**Technical Proposal**” and “**Financial Proposal**” will be opened in the presence of tenderers available.

E) PREPARATION OF TENDER

All mandatory requirements are given in the schedule

Please give all the available technical details of the items offered by you, supported with the technical literature, brochure, drawings and pictures, client list details, authorization certificates etc.

BIDS / Tenders / Technical Proposal received shall be evaluated in accordance with the given technical specifications.

PIA’s requirements with Technical Specifications are given.

Bidders **MUST**:

- Be registered with Sales Tax Authorities. (Please attach copy of Registration Certificate).
- Quote Rates, GST/SST, and other taxes separately.
- Bid on Prescribed Performa issued by PIA. (Schedule -A)
- Affix the company seal on all tender documents.

Mention clearly Tender Reference on **TOP RIGHT CORNER OF PROPERLY SEALED ENVELOPE, BEARING COMPANY’S STAMP**

G) PRICES

- a) The Prices mentioned in the tender will be treated as firm till the completion of Purchase Order / Contract.
- b) The Prices must be stated both in words and figures. Additional information, if any must be linked with entries on the Schedule to Tender.
- c) Offers must be valid for 180 days.

H) Duration of Contract

Duration of contract will be one year only.

Yours truly,

Iftikhar M. Usmani

GM Contract Management

Supply Chain Management PIA Head Office, Karachi.

Ph: 021 9904 4216, 021 9904 3081

Email: gm.cm@piac.aero, contract.tech@piac.aero

Scope of Work

Scope of Bid

Pakistan International Airline Corporation Limited (herein after called “PIACL”) wishes to receive bids from independent valuation firms in relation to an assignment of valuation of its Spare and Store Inventory items (Consumable / Rotables (LRU’s)), which includes desktop revaluation for incorporation of re-valued amount in PIA books.

The valuation firm shall be provided lists (Consumable / Rotables (LRU’s)). These lists may be spread in 6 to 7 different equipment types (Both Consumable / Rotables (LRU’s)). The expected quantum of lists shall be as follows.

S/N	DESCRIPTION	No of Parts / Lists
01	Consumable	60,000 Items / 10 Lists approx.
02	Rotables (LRU’s)	50,000 Items / 10 Lists approx

- 5% to 10% variations (Increment or Decrement).

The valuation will be carried out on the following basis:

- a. The valuation will involve a maintenance-adjusted current market price i.e Spares Consumable / Rotables (LRU’s)
- b. Valuation of each item in the provided list shall be mentioned individually along with the grand total value of the listed items.

Terms of Reference

Following terms and conditions shall be an integral part of Evaluation Agreement to be signed between PIA and the successful bidder to whom the contract has been awarded.

1. **Scope of Agreement:**

The Revaluation Agreement shall be for the revaluation of Spare and Store Inventory items (Consumable / Rotables (LRU's) of PIACL on terms and conditions.

2. **Governing Law:**

Governing Law of the Revaluation Agreement shall be agreed mutually between PIACL and the revaluation firm. However, it should not be in conflict with the laws of Pakistan.

3. **Dispute:**

Any dispute between the parties shall be resolved under ICC ADR Rules, failing which the parties shall try to resolve these differences through ICC Arbitration which should not be in conflict with the laws of Pakistan.

4. **Payment Terms**

Currency of Payment: throughout the term of contract, all the payments shall be in US Dollars and (or) PKR.

a. **Invoice:** Valuation Firm shall send the invoice upon satisfactory completion of revaluation exercise and submission of revaluation report to PIACL.

b. **Payment:** PIACL shall pay the invoice amount within thirty working days of the satisfactory completion of revaluation exercise.

5. **Taxes**

The payment will be made by PIACL net of any taxes on such payments in Pakistan. All other taxes, duties, levies arising from or relating to such payments outside Pakistan shall be borne by the lessor.

6. **Evaluation**

Evaluation will be done within 15 days after receipt of all the information from the client.

7. **Deliverables**

The valuation report shall include the following:

- a. Average current market value of Each (Consumable / Rotables (LRU's)
- b. Methodology of Evaluation.

Bid Evaluation

Tender to be submitted in "**Single Stage Single Envelope**" method (Both Technical and Financial to be submitted together as mentioned in Annexure A of this Tender Document)

- a. **Technical Evaluation of Bid:** PIACL shall carry out evaluation of the bids in order to determine whether the technical aspects are substantially responsive to the requirements set forth in the Bidding Documents. In order to reach such a determination, PIACL shall examine the information supplied by the bidders and also take into account the following factors:
 - i. Overall experience of the valuation firm related to the assignment;
 - ii. Adequacy of the proposed work plan and methodology with respect to the assignment including proposed technical approach & methodology;
 - iii. Qualifications and competence of the key staff for the assignment
 - iv. Any other relevant technical factors that PIA deems necessary or prudent to take into Consideration.

- b. **Technical Evaluation Criteria:** In order to ascertain the relative suitability of the offered services, PIACL shall evaluate the bids as per Technical Evaluation Criteria. During technical evaluation those firms obtaining a "zero" under any category (Except Item No 2 in the Bid Evaluation Criteria) will be rejected. Subject to the condition above, only those valuation firms obtaining at least 60% marks in the technical criteria shall be further evaluated whereas the remaining bids shall be rejected as being technically not suitable.

- c. **Qualification:** In addition to the above, PIACL will ascertain to its satisfaction whether bidders, whose bids meet the requirement of Bidding Document, are qualified to satisfactorily perform the contract. The determination will take into account:
 - i. Bidder's financial, technical capabilities and past performance.
 - ii. Documentary evidence of the bidder's qualifications submitted by the bidder.
 - iii. Other information as PIA deems necessary and appropriate.

An affirmative determination will be a prerequisite for PIA to shortlist the bidder for further assessment. Whereas a negative determination will result in rejection of the bidder's bid. Provided that the reasons for such determination shall be recorded in writing and shall form part of the records of that bidding process.

Evaluation of Bids

Bids will be evaluated to determine the "Lowest Evaluated Bid" as per the criteria provided.

Technical Evaluation Criteria for Consumables /Rotable.

1. Relevant Valuation Experience:

Experience in years	1-3	4-6	7-10	11-13	14>
Points	2	8	12	16	20

2. Existing and past relationship with the PIA:

Experience in years	1	2	3	4	5>
Points	2	8	12	16	20

3. Experience in Airline Industry:

Experience in years	1-5	6-10	11-15	15-20	20>
Points	6	12	18	24	30

4. Financial Annual Turn Over.

Annual Turn Over (USD Millions)	0.5	1.0	1.5	2.0	2.5>
	6	12	18	24	30

Methodology for Assessing Lowest Evaluated Bid for Consumables / Rotable.

- During technical evaluation those valuation firms obtaining a “zero” under any category (Except Item No 2 above) shall not be considered further.
- Subject to the condition above, the valuation firm obtaining at least 60% marks shall be further evaluated.
- After opening the financial offers as mentioned earlier, the valuation firms shall be assessed as per the below mentioned criteria:
- **Financial Evaluation Criteria:** Lowest bidder will get 100 points. Other bidders will get marks proportionately reduced as per their bid (i.e. Bid Value / Lowest Bid value x 100)
- **Overall Evaluation:** Technical evaluation, under these evaluation criteria, will have a weight age of 50% in total scoring, whereas, financial evaluation will also have a weightage of 50%. Total Score will be judged on the basis of aggregate scores on both technical and financial scores

Annexure A
(A) For Technical Evaluation Criteria for Consumables / Rotable.

SNO	Description	Type	NO
1	Relevant Valuation Experience	Years	
2	Existing and past relationship with the PIA	Years	
3	Experience in Airline Industry	Years	
4	Annual Turn Over (Millions)	USD or Equivalent	

(B) For Financial Evaluation Criteria for Consumables / Rotable.
BID VALUE

Description	Currency	BID Value
Evaluation of Consumable / Rotables (LRU's)		

Tenderer,s Signature:_____

Name in Full:_____

Designation:_____

Address:_____

Phone /Fax #:_____

N.I.C. #:_____

Seal:_____

Date:_____

INTEGRITY PACT / DISCLOSURE CLAUSE
(To be submitted on Company's Letterhead)

Declaration of Fees, Commissions and Brokerage Etc. Payable by the Suppliers, Vendors, Distributors, Manufacturers, Contractor & Service Providers of Goods, Services & Works

VALUATION OF (CONSUMABLE / ROTABLES (LRU's)) the Seller / Supplier / Contractor hereby declares its intention not to obtain the procurement of any Contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative sub-division or agency thereof or any other entity owned or controlled by it (GOP) through any corrupt business practice. Without limiting the generality of the forgoing the Seller / Supplier / Contractor represents and warrants that it has fully declared the brokerage, commission, fees etc., paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback whether described as consultation fee or otherwise, with the object of obtaining or including the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from Government of Pakistan, except that which has been expressly declared pursuant hereto. The Seller / Supplier / Contractor certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with Government of Pakistan and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty. The Seller / Supplier / Contractor accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall without prejudice to any other right and remedies available to Government of Pakistan under any law, contract or other instrument, be void-able at the option of Government of Pakistan. Notwithstanding any rights and remedies exercised by Government of Pakistan in this regard, the Seller / Supplier / Contractor agrees to indemnify Government of Pakistan for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to Government of Pakistan in any amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by the Seller / Supplier / Contractor as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever from Government of Pakistan

RUPEE ONE HUNDRED NON-JUDICIAL STAMP PAPER (for Local)

Company letter Head (for international)

General Manager Contract Management
Supply Chain Management Department
Pakistan Intentional Airlines
Karachi.

Subject: **UNDERTAKING TO EXECUTE CONTRACT**

Dear Sir,

1. We / I, the undersigned tenderer do here by confirm, agree and undertake to do following in the event our / my tender for _____, is approved and accepted: -
2. That we / I will enter into and execute the formal contract, a copy of which has been supplied to us / me, receipt whereof is hereby acknowledged and which has been studied and understood by me / us without any change, amendment, revision or addition thereto, within a period of seven days when required by PIA to do so.
3. That all expenses in connection with the preparation and execution of the contract including stamp duty will be borne by us / me.
4. That we / I shall deposit with PIA the amount of Security as specified in the contract which shall continue to be held by PIA until three months after expiry of the contract period.
5. That in event of our / my failure to execute the formal contract within the period of Seven days specified by PIA the Earnest Money held by PIA shall stand forfeited and we / I shall not question the same.

Tenderer,s Signature:_____

Name in Full:_____

Designation:_____

Address:_____

Phone /Fax #:_____

N.I.C. #:_____

Seal:_____

Date:_____