

Pre-Qualification Document

Instructions to Prospective Applicants

Issued by

Quaid-e-Azam Solar Power (Pvt.) Ltd.

18th October 2013

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1.0 INVITATION FOR PRE-QUALIFICATION

Date: 18th October 2013

Contract No.(s) _____

1. The Quaid-e-Azam Solar Power (Pvt) Ltd., (“**the Employer**”) is a company incorporated under the laws of Pakistan (with its registered office at Energy Department, Irrigation Secretariat, Church Road Old Anarkali, Lahore, Pakistan) which, in line with the vision and policy of the Government of Punjab, intends to finance Photo-voltaic (PV) Solar energy project with a total generation capacity of 100 MW_p for which this Invitation for Pre-qualification is issued.
2. The Employer, intends to invite applications from and select entities/persons (Companies/Joint Ventures/Consortia, as the case may be) who meet the Prequalification Criteria (set out below in Clause 2.2 of this document) for Design, Supply, Construction, Turn-key Installation, Testing, Commissioning as well as Operations & Maintenance (O&M) of afore-mentioned project(s) (100MW_p) at the Quaid-e-Azam Solar Park (QSP), LalSohanra, Bahawalpur, Pakistan.
3. **Evaluation of Pre-Qualification Applications:**
 - i. An applicant whose Prequalification Application is determined by the Employer to be responsive and as meeting the Prequalification Criteria specified in Clause 2.2 below shall be designated as a "Prequalified Bidder".
 - ii. An applicant whose Prequalification Application is determined by the Employer to be non-responsive or as not meeting the Prequalification Criteria shall be designated as a "Non-Prequalified Bidder".
4. The date at which Invitation to Bid is issued shall be known as **Invitation to Bid Date**. It is expected that Invitation to Bid Date will be around 22nd November, 2013. Invitation to Bid will be issued only to Pre-qualified Bidders. All Pre-qualified Bidders would be required to submit their bids around the middle of December 2013. A pre-bid conference is likely to be held by the end of November 2013 to address relevant questions/queries of bidders.
5. Pre-qualification is open to Pakistan based entities/persons as well as those based abroad. In the case of Pakistan based entities/persons, the Pre-qualification is open to those who are registered with Pakistan Engineering Council (PEC) for Construction and Operation of Engineering Works, described in para 2 mentioned hereinabove.
6. Prequalification documents may be obtained from the office of the Employer, at Energy Department, Irrigation Secretariat, Church Road Old Anarkali, Lahore, Pakistan physically or a request may be sent to e-mail info.qasolar@energy.punjab.gov.pk for an electronic copy of the same. Prequalification documents can also be downloaded from the following

websites:

www.energy.punjab.gov.pk
www.pbit.gop.pk

7. The request must clearly state in its subject heading “*Request for Pre-qualification Documents for Solar PV project at QA Solar Park, Bahawalpur*”.
8. Applications for Pre-qualification (one original and five [5] copies) must be received in sealed envelopes to be delivered by hand or through registered mail to:-
Chief Executive Officer
Quaid-e-Azam Solar Power (Pvt.) Ltd
Address: Energy Department, Irrigation Secretariat, Church Road, Old Anarkali, Lahore. Pakistan
9. Data/information about the project(s) will be regularly updated at Government of Punjab, Energy Department’s website (URL: www.energy.punjab.gov.pk) and at Punjab Board of Investment and Trade’s website (URL: www.pbit.gop.pk)

The said Applications should be delivered not later than 1500 hours (Pakistan Standard Time, GMT+5) on 18th of November, 2013 (“**Pre-qualification Application Deadline Date**”) and be clearly marked “Application for Pre-qualification for Solar PV project at QA Solar Park, Bahawalpur”.

Late applications shall not be accepted

2.0 INSTRUCTIONS TO APPLICANTS

2.1 Submission of Applications

- 2.1.1 Applications for pre-qualification (one original and five [5] copies) must be received in sealed envelopes to be delivered by hand or through registered mail to:-

Chief Executive Officer
Quaid-e-Azam Solar Power (Pvt.) Ltd
Address: Energy Department, Irrigation Secretariat, Church
Road, Old Anarkali, Lahore. Pakistan

not later than Pre-qualification Application Deadline Date mentioned above.

Applications shall be submitted in line with the format provided in Annex A of this document along with Application Forms (A-1 to A-7) annexed with this document.

Applications should be clearly marked “Application for Pre-qualification for Solar PV project at QA Solar Park, Bahawalpur”.

Late applications shall not be accepted.

- 2.1.2 The name and mailing address of the applicant shall be clearly marked on the envelope.
- 2.1.3 The said applications shall be prepared in English language and all relevant forms shall be filled out in English. Information in any other language shall be accompanied by its certified translation in English. Non-compliance of the above requirement could result in disqualification of relevant Applicants.
- 2.1.4 The applicants must respond to all questions and provide complete information as advised in this document (see Annex A below as well as Application Forms A-1 to A-7 annexed with this document). Failure or omission to provide the aforementioned essential information may result in dis-qualification of the applicant.
- 2.1.5 Any applicant requiring clarification on the Prequalification Criteria or any of the requirements set out here under, may send an electronic request for clarification to the Employer at the following e-mail address:
info.qasolar@energy.punjab.gov.pk

Any such request for clarification shall be sent to the office of the Employer by not later than 1500 hrs (Pakistan Standard Time, GMT+5) on the “Clarification Requests Submission Deadline”. The Clarification Requests Submission Deadline is 4th November, 2013.

Electronic copies of the response, including an explanation of the query but no identification of its source (the "Response to Questions Document"), will be sent to all applicants who have requested the Prequalification Document. If similar or repeated queries are made by applicants, those queries may be listed

as one query and responded to only once.

Timetable

The estimated timetable, from the issuance of this Invitation to the completion of the tender process, is as follows:

Indicative Transaction Timetable*

Activity	Target Date
Invitation for Prequalification	18 th October 2013
Clarification Requests Submission Deadline	4 th November 2013
Communication of Response to Questions Document to applicant	11 th November 2013
Prequalification Applications Submission Deadline	18th November 2013

2.2 PreQualification Criteria

2.2.1 General

Applicants' eligibility for Pre-qualification shall be evaluated on the basis of the criteria set out below regarding the Applicant's Financial Soundness, Experience Record, as demonstrated by the Applicant's responses in the Application Letter and Application Forms (A-1 to A-7) annexed with this document. The Employer reserves the right to waive minor deviations, if these do not materially affect the capability of an applicant to perform the contract. Sub-contractor's experience and resources shall not be taken into account in determining the Applicant's compliance with the qualifying criteria. However, subject to the clauses of this document, in case of a Joint Venture (JV) the experience & resources of a JV shall collectively be considered. For the sake of clarity it is specified that any collaboration between different legal entities/ persons (by whatever named called including but not limited to a joint-venture, partnership, consortium etc.) shall receive the same treatment as provided in the case of a JV in this clause.

Criteria for Financial Strength	
1.	Total Minimum Annual Turnover of USD 75 million
2.	Debt Service Coverage Ratio ¹ ≥ 3
3.	Maximum Debt/Equity Ratio of 70:30 (less than or equal to 2.33)

¹ Defined as ratio of net cash flow before interest and tax, to interest payment obligations

4.	Ratio of Current Assets to Current Liabilities (Current Ratio) ≥ 1
5.	Operating Cash Flow Ratio (OCFR) ² ≥ 1.3
Criteria for Technical Strength	
6.	Cumulative EPC Experience of Installing 50 MW _p , ground-mounted, grid-connected, solar PV systems operational for 6 months or more
7.	Experience of installation (in lead EPC role) of two ground mounted, grid-connected, solar PV systems equal to or greater than 10MW _p at single site
8.	Experience of installation (in lead EPC role) of one ground mounted, grid-connected, solar PV system equal to or greater than 10 MW _p in a foreign country ³ at single site. This condition may be waived for bidders who have installed over a 100 MW _p ground mounted, grid-connected, solar PV systems in their own country

2.2.2 An applicant may provide alternative proof of credit-worthiness in the form of credit rating from a reputable credit-rating agency acceptable to the Employer (such as Moodys, S&P, Fitch etc.)

2.3 Joint Venture (JV)

2.3.1 Any Joint Venture must comply with the following minimum qualification requirements:-

- i) Lead partner of a JV shall meet 100%of the qualifying financial and technical criteria given above.
- a) Any change in the corporate structure or constituent documents of a prequalified JV after prequalification, shall be subject to the written approval of the Employer prior to the deadline for submission of bids. Such approval may be denied if:-
 - i) Partner(s) withdraw from a JV and remaining partners do not meet the qualifying requirements;
 - ii) The new partners to a JV are not qualified individually or as another JV; or
 - iii) In the opinion of the Employer, a substantial reduction in competition would result.

² Defined as ratio of Cash Flow From Operations to Current Liabilites

³ Foreign country defined as a country other than where the firm has its registered principal corporate office

- c) The prequalification application shall be signed by an authorized signatory on behalf of all members in a JV/Consortium so as to legally bind all partners, jointly and severally, and any application shall be submitted with a copy of the JV/Consortium agreement providing the joint and several liability with respect to the contract.

2.3.2 The prequalification of a JV/Consortium shall not necessarily prequalify any of its partners/stakeholders individually or as a partner in any other JV or association. In case of dissolution of a JV, each one of the constituent firms may prequalify if they meet all the prequalification requirements and any partner of JV has requested/shall request for the same and then his prequalification shall be subject to the written approval of the Employer.

2.4 Conflict of Interest

2.4.1 An Applicant (including any member of a JV/Consortium) must not be associated, nor have been associated in the past, with the consultant for project(s) mentioned herein in Clause 1(2) above or any other entity that has prepared the design, specifications, and other prequalification and bidding documents for the project, or was proposed as Engineer for the contract, over the last five years. Any such association may result in disqualification of the Applicant.

2.5 Updating Prequalification Information

2.5.1 Bidder shall be required to update the financial and technical information used for prequalification at the time of submitting their bids, to confirm their continued compliance with the Prequalification Criteria and verification of the information provided at the time of prequalification. A bid shall be rejected if the Applicant's qualification thresholds are no longer met at the time of bidding.

2.6 Other Factors

2.6.1 Prospective Bidders qualifying as per the Pre-qualification Criteria herein may participate only in one bid for the project. If a Prospective Bidder submits more than one bid for the project, singly or as part of a collective venture, all bids which include that bidder will be rejected. This rule will not apply in respect of bids which include specialist sub-contractors who are used by more than one bidder.

2.6.2 The Employer reserves the right to:

- a) Amend the scope and value of any contract(s) to be bid, in which event the bidder(s) will only bid among those prequalified bidders who meet the requirements of the contract(s) as amended. However the Employer has to review the disqualified applicants who originally did not meet the specified criteria for Pre-qualification.

- b) Reject or accept any application; and
- c) Cancel the prequalification process and reject all applications.

The Employer shall neither be liable for any such actions nor be under any obligation to inform the Applicant of the grounds for rejection, however, may be debriefed if solicited.

2.6.3 Applicants will be informed of the result of their applications through the Government of Punjab, Energy Department's website (URL: www.energy.punjab.gov.pk) and may be debriefed if solicited.

2.6.4 All Applicants shall also submit an affidavit affirming and declaring on oath that the Applicant(s) disclosed all relevant facts/circumstances and furthermore that Applicant:

- (a) is not in bankruptcy or liquidation proceedings;
- (b) is not making any misrepresentations or concealing any material detail;
- (c) has not been convicted of, fraud, corruption, collusion or money laundering;
- (d) is not aware of any conflict of interest or potential conflict of interest arising from prior or existing contracts or relationships which could materially affect its capability to comply with its obligations; and
- (e) does not fall within any of the circumstances for ineligibility or disqualifications

Provided that in the case of a joint venture/consortium, by whatever name called, an authorized lead party can submit one affidavit on behalf of each of the members of a joint venture/consortium as the case may be.

3.0 EVALUATION CRITERIA

Applicants meeting the minimum requirements mentioned in Para 2.2 besides other factors shall be considered for pre-qualification.

Letter of Application

[Letterhead paper of the Applicant, or partner responsible for a joint venture, including full postal address, telephone no., fax no., telex no., cable and e-mail address]

Date:.....

To:

.....
[name and address of the Employer]

Sirs,

1. Being duly authorized to represent and act on behalf of (hereinafter “the Applicant”), and having reviewed and fully understood all the prequalification information provided, the undersigned hereby applies to be prequalified as a bidder for the following contract(s) under the*[name of the Project to be listed by the User/Employer]* project:

Contract No.	Description of Contract
1.	
2.	
3.	
4.	
5.	

{ Note: The Applicant is to delete, any contract for which he does not wish to prequalify, and sign and date the deletion. If the prequalification refers to only one contract, delete this note and spaces for additional contract references}.

2. Attached to this letter are copies of original documents defining⁴:
- (a) the Applicant's legal status;
 - (b) the principal place of business; and
 - (c) the place of incorporation (for applicants who are corporations); or
the place of registration and the nationality of the owners (for applicants who are partnerships or individually-owned firms).
3. Your Agency and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the statements, documents, and information submitted in connection with this application, and to seek clarification from our bankers and clients regarding any financial and technical aspects. This Letter of Application will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such information deemed necessary and requested by yourselves or the authorized representative to verify statements and information provided in this application, or with regard to the resources, experience, and competence of the Applicant.
4. Your Agency and its authorized representatives may contact the following persons for further information⁵, if needed.

General, Financial and Managerial Inquiries	
Contact 1	Telephone 1
Contact 2	Telephone 2

Technical Inquiries	
Contact 1	Telephone 1
Contact 2	Telephone 2

5. This application is made with the full understanding that:

⁴
For applications by joint ventures, all the information requested in the prequalification documents is to be provided for the joint venture, if it already exists, and for each party to the joint venture separately. The lead partner should be clearly identified. Each partner in the joint venture shall sign the letter.

⁵
Application by joint ventures should provide information on a separate sheet information for each party to the application.

Prequalification Document-100 MWpSolarPV Project

- (a) bids by prequalified applicants will be subject to verification of all information submitted for prequalification at the time of bidding;
- (b) your Agency reserves the right to:
 - (i) amend the scope and value of any contract under this project; in such event bids will only be called from prequalified bidders who meet the revised requirements; and
 - (ii) reject or accept any application, cancel the prequalification process, and reject applications; and
- (c) your Agency shall not be liable for any such actions and shall be under no obligation to inform the Applicant of the grounds for actions at 5(b) hereabove.
- (d) your Agency shall not be liable for consequence of, and shall be under no obligation to inform the applicant of the grounds for, actions taken under para 5(b) hereabove.

Applicants who are not joint ventures should delete para 6&7 and initial the deletions.

- 6. Appended to this application, we give details of the participation of each party, including capital contribution and profit/loss agreements, to the joint venture or association. We also specify the financial commitment in terms of the percentage of the value of the (each) contract, and the responsibilities for execution of the (each) contract .
- 7. We confirm that in the event that we bid, that bid as well as any resulting contract will be
 - (a) signed so as to legally bind all partners, jointly and severally; and
 - (b) submitted with a Joint Venture agreement providing the joint and several liability of all partners in the event the contract is awarded to us.
- 8. The undersigned declare that the statements made and the information provided in the duly completed application are complete, true, and correct in every detail.

Signed	Signed
Name	Name
For and on behalf of (name of Applicant or lead partner of a joint venture)	For and on behalf of (name and signature of other partners of the joint venture)

General Information

All individual firms and each partner of a joint venture applying for prequalification are requested to complete the information in this form. Nationality information is also to be provided for foreign owners or applicants who are forming part of the Joint Ventures as required under the PEC Bye-Laws as a Partnership/Joint Venture.

Where the Applicant proposes to use named subcontractors for critical components of the works, or for work contents in excess of 10 percent of the value of the whole works, the following information should also be supplied for the specialist subcontractor(s).

1.	Name of Firm	
2.	Head Office Address	
3.	Telephone	Contact Person: Name: Title:
4.	Fax	Telex
5.	Place of Incorporation/Registration	Year of incorporation/registration

NATIONALITY OF OWNERS		
	NAME	NATIONALITY
1.		
2.		
3.		
4.		
5.		

General Experience Record

Name of Applicant or partner of a joint venture

All individual firms and all partners of a joint venture are requested to complete the information in this form. The information supplied should be the annual turnover of the Applicant (or each member of a joint venture), in terms of the amounts billed to clients for each year for work in progress or completed over the past three (3) years. This statement must be supported with audited financial statements of the applicant firm(s)

Use a separate sheet for each partner of a joint venture.

Annual Turnover		
Year	Turnover (in actual currency)	Equivalent Rupees in Millions.
1.		
2.		
3.		

Joint Venture/Consortium Summary

Names of all Partners of a Joint Venture/Consortium
1. Lead Partner
2. Partner
3. Partner
4. Partner
5. Partner
6. Partner

Total value of annual turnover, in terms of work billed to clients,

Partner	Form A-2 Page No.	Year 1	Year 2	Year 3
1. LeadPartner				
2. Partner				
3. Partner				
4. Partner				
5. Partner				
6. Partner				
Total:				

Application Form A-4

Page ___ of ___ Pages

Particular Experience Record

Name of Applicant or partner of a joint venture

To prequalify, the Applicant shall be required to pass the specified requirements applicable to this form, as set out in the : Instructions to Applicants”.

On a separate page, using the format of Application Form A-5, each applicant or partner of a Joint Venture is required to list all contracts of a similar nature and complexity to the contract for which the Applicant wishes to qualify, undertaken during the last three (3)years. The information is to be summarized, using Application Form A-5, for each contract completed or under execution by the Applicant or by each partner of a Joint Venture.

Details of Contracts of Similar Nature and Complexity⁶

Name of Applicant or partner of a joint venture

Use a separate sheet for each contract.

1.	Name of Contract
	Country
2.	Name of Employer
3.	Employer Address
4.	Nature of works and special features relevant to the contract for which the Applicant wishes to prequalify
5.	Contract Role (Tick One) (a) Sole Contractor (b) Sub- Contractor (c) Partner in a Joint Venture
6.	Value of the total contract (in specified currencies) at completion, or at date of award for current contract Currency..... Currency..... Currency.....
7.	Equivalent in Pak/Rs.
8.	Date of Award
9.	Date of Completion
10.	Contract Duration (Years and Months) _____ Years _____ Months
11.	Specified Requirements ¹

⁶ Each copy of form A-5 must be accompanied by a certificate of completion from respective employer

Financial Capability

<i>Name of Applicant or Partner of a Joint Venture</i>

Applicants, including each partner of a joint venture, should provide financial information to demonstrate that they meet the requirements stated in the Instructions to Applicants. Each applicant or partner of a joint venture must fill-in this form. If necessary, use separate sheets to provide complete banker information. Copies of audited balance sheets should be attached.

Banker	Name of banker	
	Address of banker	
	Telephone	Contact name and title
	Fax	Telex

Summarize actual assets and liabilities in Pak Rupees (Equivalent at the current rate of exchange at the end of each year) for the last three (3) years.

Financial information in Pak Rs. or equivalent	Actual: Previous three years		
	1	2	3
1. Total assets			
2. Current assets			
3. Total liabilities			
4. Current liabilities			
5. Profits before taxes			
6. Profits after taxes			

Attach audited financial statements for the last three years (for individual applicant or each

partner of joint venture).

Firms owned by individuals, and partnerships, may submit their balance sheets certified by a registered accountant, and supported by copies of tax returns, if audits are not required by the laws of their countries of origin in case of foreign firms.

