

Quaid e Azam Solar Power Company (Pvt.) Ltd

PRE-QUALIFICATION DOCUMENTS (PQD)

FOR

PRE-QUALIFICATION OF INTERNAL AUDIT SERVICE PROVIDER

BACKGROUND OF THE COMPANY

Quaid-e-Azam Solar Power (Pvt.) Limited was incorporated on 16th September 2013 as a private company limited by share with majority shareholding with the Energy Department, Government of the Punjab, is a statutory body established through Companies Ordinance 1984. The Company has set up 100 MW Solar Power Plant in Bahawalpur.

BACKGROUND TO THE ASSIGNMENT

The Corporate Governance Rule for Public Sector Companies 2013 requires the establishment of an effective internal audit function under the control and direction of the Audit Committee. This function will be outsourced by the Company.

THE OVERALL OBJECTIVE

The objective of this prequalified process is to select suitably independent internal audit service providers who has the capacity to maintain and support an appropriate internal audit service to the Board and Management of Quaid-e-Azam Solar Power (Pvt.) Limited.

CONTRACT PERIOD

The pre-qualified firms would be eligible to participate in the bidding process for a period of three financial years commencing from July 01, 2016.

CONDUCT OF WORK

The internal audit service provider will be required to work at the premises of the company. In some instances, where necessary, work may be extended to where projects are being implemented.

SCOPE OF INTERNAL AUDIT

- a) The internal audit must be conducted in accordance with the Terms of Reference set by the Audit Committee.

- b) The internal audit function must assist the Audit Committee in maintaining effective controls by evaluating those controls and by developing recommendations for enhancement or improvement.
- c) The internal audit function must assist the Audit Committee in achieving the objectives of the Company by evaluating and developing recommendations for the enhancement or improvement of the processes
- d) Conducting special assignments and investigations on behalf of the Audit Committee or CEO into any matter or activity affecting the probity, interest and operating efficiency of the company

EXPECTED OUTCOMES AND DELIVERABLES

- I. Performing an audit assignment
- II. Reporting requirements

The audit firm will be reporting to internal audit committee. The structure of the internal audit report is to be as follows:-

- a) Introduction;
 - b) Audit objective and scope;
 - c) Background;
 - d) Executive summary, highlighting significant findings;
 - e) Findings, recommendations and management responses (including implementation dates);
 - f) All audits are to be carried out according to the internal Audit Plan approved by the Audit committee;
 - g) Conclusion; and
 - h) The auditor is to deliver to the members of the Audit Committee, the CEO and Chief Internal Auditor of Quaid-e-Azam Solar Power (Pvt.) limited both an electronic copy and one signed copy of the final report.
- III. The audit firm shall carry out the internal audit activity on quarterly basis, or as determined by the company from time to time, and shall accordingly report to the audit committee.

COMPETENCY AND EXPERTISE REQUIREMENTS

- a) Audit firms must be registered with Institute of Chartered Accountants of Pakistan (ICAP) and should have satisfactory Quality Control Rating done by ICAP.
- b) It is essential that the service provider has the knowledge and experience of internal audit of a public entity.

QUERIES

For any queries or additional information, please contact the Chief Internal Auditor at cia@qasolar.com

GENERAL CONDITION

The process will be governed under Punjab Procurement Rules, 2014, as amended from time to time and instructions of the Government of the Punjab received during the completion of the process. PPRA Rules 2014 may be obtained from PPRA's website <http://www.ppra.punjab.gov.pk>

Moreover, in case of any ambiguity, the whole pre-qualification process shall be construed and interpreted in line with PPRA Rules.

CRITERIA FOR PREQUALIFICATION

The prequalification criteria has been mentioned below. Scores will be allocated strictly in accordance with the prequalified documents based on evidence available in the proposal only. The minimum score to be prequalified is 65 points. Only the pre-qualified firms shall be entitled to participate in the subsequent process.

OPENING OF PROPOSALS

All proposals in response to the pre-qualification should be delivered to the company's office on or before **11:00 am** on the **19th of December 2016** which will be opened at 11:30 am on the same day in the Committee Room, 3rd Floor, 83-A/E-1, Main Boulevard, Gulberg-III Lahore;

FINANCIAL PROPOSALS

The financial proposals for each year audit would be invited and evaluated on annual basis. As the reporting requirement shall be on quarterly basis, or decided by the company, the payments should also be bifurcated into quarterly payments. For inviting and opening of financial proposals date, time and venue will be communicated separately.

Pre-Qualification criteria

(A) Initial Screening:

The following documents / certificates are the pre-requisite and shall be used for initial screening. The Audit Firm will go in the next stage if it fulfills all the requirement of initial screening which are as under:

1. The firm must be "A" ranking as per State Bank of Pakistan
2. Satisfactory QCR Rating of ICAP
3. NTN Certificate

(B) Technical Evaluation:

The Firm cleared from initial screening will be evaluated as per following criteria:

1. Number of Partners in the firm within Pakistan
2. Number of Audit Staff
3. Government & Semi Government Audit Experience
4. Power sector experience
5. Years of existence in Pakistan
6. Number of Offices within Pakistan

Number of Partners (Signed CVs to be attached)

20 Marks

	Total Marks	No. of Partners	Marks
		10-17	10
At least 10 Partners	20	18-25	15
		26 & Above	20

Number of Audit Staff (list of audit staff showing qualification)

20 Marks

	Total Marks	No. of Staff	Marks
		100-150	5
At least 100 staff	20	151-200	10
		201-300	15
		301 & Above	20

Govt. / Semi Govt. Experience (Evidence to be attached)

18 Marks

	Total Marks	No. of Entities	Marks
		05	5
Experience of Govt. / Semi Govt. Organization's Audit (singularly) in last 5-years (At least 05 Entities)	18	06-10	10
		11-14	14
		15 & Above	18

Power Sector Experience (Evidence to be attached)

18 Marks

Experience of audit of Power Sector Companies with capacity of equal to or greater than 55 MW (singularly) in last 5-years (At least 5 Entities)	Total Marks	No. of Entities	Marks
		05	5
	18	06-10	10
		11-14	14
		15 & Above	18

Years of Existence in Pakistan (Evidence to be attached)

15 Marks

At least 15 years	Total Marks	Years	Marks
	15	15-25	5
		26-35	10
		36 & Above	15

Number of Offices in Pakistan (Complete contact details to be mentioned)

09 Marks

At least 02 offices	Total Marks	Number of Offices	Marks
	09	2	05
		3-4	07
		5 & above	09