

TERMS OF REFERENCE FOR APPOINTMENT OF EXTERNAL AUDITOR

1. BACKGROUND OF QUAID E AZAM SOLAR POWER PVT LTD

Quaid-e-Azam Solar Power (Pvt.) Limited (QASPL) was incorporated on 16th September 2013 as a private limited company wholly owned by Government of the Punjab. QASPL is established under Companies Ordinance 1984. The Company has set up 100 MW Solar Power Plant in Bahawalpur.

2. EXTERNAL AUDITORS

QASPL intends to appoint its external auditors to conduct its Annual audit and services for issuance of certificate for compliance with Public sector code of corporate governance rules and Compliance with NEPRA Licensing Conditions for financial year 2017-2018 as per Companies Act 2017.

3. COVERING LETTERS

Covering letter must be addressed to Mr. Muhammad Amjad, Chief Executive Officer, Quaid-e-Azam Solar Power (Pvt.) Limited, Lahore.

4. QUERIES

For any queries or additional information, please contact Mr. Muhammad Badar Ul Munir, CFO on 042-35790363-66.

5. BID VALIDITY PERIOD

Bids validity period will be 90 days from the due date for submission of Technical and Financial bids.

6. BID SECURITY

The bidder should submit bid security amounting to Rs. 50,000/- (within 5% of estimated price in the form of CDR or Demand Draft/Pay order.

7. CRITERIA OF EVALUATION

The company will use quality and cost based selection and single stage two envelope method of selection of consultants under the Punjab Procurement Rules 2014.

Evaluation criteria for technical and financial evaluations are enclosed. Scores will be allocated based on evidence available in proposal only. The assignment will be awarded to the firm with the highest total score based on following weighted ratios

- 80 % of Technical Score
- 20 % of Financial Score

OPENING OF PROPOSALS

All proposals shall be delivered to the company's office on or before 03:00 pm, 31st day of January 2018 at the office of QASPL. Technical proposals will be opened at 03:30 pm on the same day in the Conference Room, 3rd Floor, 83-A/E-1, Main Boulevard, Gulberg-III Lahore in the presence of the bidders who choose to be present. Financial proposals of only technically qualified bidders will be opened on the day notified by QASPL

Technical & Financial Evaluation criteria

A. INITIAL SCREENING

The following documents/ certificates are the pre-requisites and shall be used for initial screening. The Audit firm shall be technically evaluated only if it fulfills all the requirements of initial screening which are as under:

- i. The firm must be "A" ranked as per State Bank of Pakistan.
- ii. The firm must be registered in Pakistan and should also have an affiliation with some large and renowned international audit firm.
- iii. Declaration in shape of an affidavit on attested stamp paper that the firm has never been blacklisted/de-listed as per the laws of Pakistan.
- iv. Satisfactory QCR rating from ICAP.
- v. National Tax Number and Sales Tax Registration Certificates from the relevant local provincial authority.

B. TECHNICAL EVALUATION:

Eligibility Criteria: Firms scoring less than 65 points in Technical Evaluation will be considered non-responsive and financial proposals will be returned un-opened.

The firm fulfilling criteria of initial screening will be eligible for technical evaluation as per the following criteria:

I. Number of Partners (CVs must be attached) 20 Marks

	Total Marks	Range of Partners	Marks
			10-20
At least 10	20	21-30	10
		31-40	15
		41 & Above	20

II. Number of Audit Staff (list of audit staff showing qualification) 20 Marks

	Total Marks	Range of Audit Staff	Marks
		At least 100 staff	20
		176-250	10
		251-300	15
		301 & Above	20

III. Govt./ Semi Govt. Experience 15 Marks

Experience of at least 5 Govt. / Semi Govt. Organization's Audit (singularly) in last 5-years (attach Engagement Letters/ Proof of Experience)	Total Marks	Govt./Semi Govt. Experience	Marks
		15	05
		06-10	8
		11-14	12
		15 & Above	15

IV. Power Sector Experience 15 Marks

Experience of at least 5 Independent Power Producer (IPPs) Audit (singularly) in last 5-years (attach Engagement Letters/Proof of Experience)	Total Marks	IPPs Experience	Marks
		15	05
		06-10	8
		11-14	12
		15 & Above	15

V. Years of Existence 15 Marks

Years of Existence (Partnership deed)	Total Marks	Years of Existence	Marks
		10	5
15	15	15	10
		20 & Above	15

VI. Financial Worth 15 Marks

	Head of Account	Marks	Marks Allocation
Total Marks	Current Assets	3	1 Mark for each 10 million (Max. 3 marks)
	Working Capital	4	1 Mark for each 05 million (Max. 4 marks)
15	Income	4	1 Mark for each 20 million (Max. 4 marks)
	Fixed Assets	4	1 Mark for each 05 million (Max. marks)

Financial Evaluation Criteria

Financial Proposals of only technically qualified audit firms will be opened. The audit firm getting maximum marks on 80-20 weight age (80% for technical and 20% for financial) will be selected as auditors.

Max 20 points

The formula for determining the financial scores is the following:

$S_f = 100 \times F_m / F$, in which S_f is the financial score, F_m is the lowest price and F the price of the proposal under consideration.

The weights given to the Technical (T) and Financial Proposals (F) are:

$T = 0.80$, and $F = 0.20$