

# **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 16<sup>th</sup> 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 for financial year 2019-2020 as per Companies Act 2017.

## **3. COVERING LETTERS**

Covering letter must be addressed to Mr. Muhammad Badar Ul Munir, Chief Financial 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. 80,000/- (4% of estimated price i-e Rs. 2.0 million in the form of CDR, 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

- 70 % of Technical Score
- 30 % of Financial Score

## **OPENING OF PROPOSALS**

All proposals shall be delivered to the company's office on or before 3:00 pm, 2<sup>nd</sup> day of November 2020 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. 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.
- iii. Satisfactory QCR rating from ICAP.
- iv. National Tax Number and Punjab Sales Tax Registration Certificates from the relevant local provincial authority.

### **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

**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**

At least 1 Partners	Total Marks	No. of Partners	Marks	
			01-05	10
	20		06-10	15
			11 & Above	20

**II. Number of Audit Staff (list of audit staff showing qualification) 10 Marks**

At least 50 staff	Total Marks	No. of Staff	Marks
			Upto 50
	10		50 & Above

**III. Govt./ Semi Govt. Experience (Evidence to be attached) 25 Marks**

Experience of External Audit of Govt. / Semi Govt. Organization's Audit (singularly) in last 5-year	Total Marks	No. of Entities	Marks	
			01-05	10
	25		06-10	20
			11 & Above	25

**IV. Power Sector Experience (Evidence to be attached) 25 Marks**

Experience of External audit of Power Sector Companies with capacity of equal to or greater than 55 MW (singularly) in last 5-years	Total Marks	No. of Entities	Marks	
			01-05	10
	25		06-10	20
			11 & Above	25

V. Years of Existence (Attach ICAP certificate and partnership deed bearing firms CURRENT Name) 15 Marks

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

VI. Number of Offices in Pakistan (Complete contact details to be mentioned) 05 Marks

At least 03 offices	Total Marks	Number of Offices	Marks
		3	03
05	05	4 & Above	05

### Financial Evaluation Criteria

Financial Proposals of only technically qualified audit firms will be opened. The audit firm getting maximum marks on 70-30 weight age (70% for technical and 30% for financial) will be selected as auditors.

**Max 30 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:

$$T = 0.70, \quad \text{and} \quad F = 0.3$$

