

TENDER DOCUMENT

FOR

**Hiring of Internal Audit Firm
For Conducting Internal Audit for FY 2022-23**



Quaid-e-Azam Solar Power (Pvt) Ltd

Section 1: Letter of Invitation

No: **QASPL/2023/IR/03**

Date: 04 .07.2023

To

SUBJECT: LETTER OF INVITATION

Dear Mr./Ms.:

1. Quaid-e-Azam Solar Power (Pvt) Ltd (QASPL) invites proposals for Hiring of Internal Audit Firm. Details on the services are provided in the Terms of Reference.
2. The Audit Firm will be selected under Single Stage Two Envelope, Quality and Cost Based Selection (70:30) and procedures described in this document, in accordance with the Punjab Procurements Rules 2014.
3. The tender document includes the following additional documents:
 - Section 2 - Instructions to Consultants (including Data Sheet)
 - Section 3 - Technical Proposal - Standard Forms
 - Section 4 - Financial Proposal - Standard Forms
 - Section 5 - Terms of Reference
4. Proposals to be made using the Standard Forms of the tender document. If any information required in the forms is found missing, or written elsewhere, no credit will be given in the relevant section of the evaluation.
5. The information should be sent to the following address:

Designation: Chief Executive Officer
Address: 3rd Floor, 83 A E/1, Main Boulevard, Gulberg III, Lahore
E-mail: pm@qasolar.com; am.audit@qasolar.com

If no acknowledgment is received, it will be presumed that the firm is not interested in undertaking the assignment.

Yours sincerely,

*Chief Executive Officer,
Quaid-e-Azam Solar Power (Pvt) Ltd
Lahore*

Section 2: Instructions to Firms

Definitions	<p>(a) “Assignment” means providing Internal Audit Services for Conduct Internal Audit for FY 2022-23 “Client” means the Quaid-e-Azam Solar Power (Pvt) Ltd.</p> <p>(b) “Consultant” means firm that provides the Audit Services to the Client under the Contract. Applicants are prohibited to form Joint Venture.</p> <p>(c) the purpose of this assignment.</p> <p>(d) “Contract” means document signed by the Parties, and all attached documents.</p> <p>(e) “Data Sheet” means such part of the Instructions to Firms used to reflect specific conditions.</p> <p>(f) “Day” means calendar day.</p> <p>(g) “Firms” means firms whose who wish to submit proposal in response to this tender.</p> <p>(h) “Government” means the Government of the Punjab and all its associated departments, agencies, autonomous/semi-autonomous bodies, local governments, boards, universities and similar other organizations.</p> <p>(i) “Instructions to Firms” means the document, which provides Firms with information needed to prepare their Proposals.</p> <p>(j) “LOI” means the Letter of Invitation included in the tender as Section 1 being sent by the Client to the Firms.</p> <p>(k) “Personnel” means professionals and support staff provided by the Firms or by any sub-consultant and assigned to perform the Services or any part thereof; “Foreign Personnel” means such professionals and support staff who at the time of being so provided had their domicile outside Pakistan; “Local Personnel” means such professionals and support staff who at the time of being so provided had their domicile inside Pakistan.</p> <p>(l) “Proposal” means the Technical Proposal and the Financial Proposal.</p> <p>(m) “RFP” means the Request for Proposal to be prepared by the Client for the selection of consultants, based on the Standard RFP.</p> <p>(n) “Services” means the Assignment to be performed by the</p>
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	<p>Consultant pursuant to the Contract.</p> <p>(o) “Rules” means the Punjab Procurement Rules-2014 (PPR-009) notified in Provision of Punjab Procurement Regulatory Authority Act 2009 (VIII of 2009).</p> <p>(p) “Terms of Reference” (TOR) means the document included in the tender as Section 5 which explains the objectives scope of work, activities, tasks to be performed, respective responsibilities of the Client and the Consultant, and expected results and deliverables of the assignment.</p>
1. Introduction	<p>1.1 The Client shall select the Audit Firm in accordance with the Punjab Procurement Rules-2014.</p> <p>1.2 Firms are invited to submit a Technical Proposal and a Financial Proposal for Services required for the Assignment. The proposals should be in separate marked and sealed envelopes. The Proposal will be the basis for a signed Contract with the selected Firm.</p>
	<p>1.3 Firms should familiarize themselves with Assignment conditions and take them into account in preparing their Proposals.</p>
	<p>1.4 Firms shall bear all costs associated with the preparation and submission of their Proposals and finalization of Contract. The Client is not bound to accept any Proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Firms.</p>
Conflict of Interest	<p>1.5 QASPL requires that the Consultant provides professional, objective, and impartial advice and at all times, hold the Client’s interests paramount, strictly avoid conflicts with other assignments or their own corporate interests, and act without any consideration for future work.</p> <p>1.5.1 Without limitation to the generality of the foregoing, the Consultant, and any of its affiliates, shall be considered to have a conflict of interest and shall not be recruited, under any of the circumstances set forth below:</p>
Conflicting activities	<p>(i) A firm that has been engaged by the Client to provide goods, works or services other than consulting services for a project, and any of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and any of its</p>

	<p>affiliates, shall be disqualified from subsequently providing goods or works or services other than consulting services resulting from or directly related to the firm's consulting services for such preparation or implementation.</p>
Conflicting assignments	<p>(ii) A firm (including its Personnel and sub-consultants) or any of its affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the firm to be executed for the same or for another Client.</p>
Conflicting relationships	<p>(iii) A firm (including its Personnel and sub-consultants) that has a business or family relationship with a member of the Client's staff who is directly or indirectly involved in any part of (i) the preparation of the Terms of Reference of the assignment, (ii) the selection process for such assignment, or (iii) supervision of the contract, may not be awarded a contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the QASPL throughout the selection process and the execution of the Contract.</p>
	<p>1.5.2 Firms / Consultant have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the firm/Consultant or the termination of its Contract.</p>
Fraud and Corruption	<p>1.6 The QASPL requires Firms and the Consultant participating in this Assignment to adhere to the highest ethical standards, both during the selection process and throughout the execution of the Contract. In pursuance of this policy, the QASPL:</p> <p>(a) defines, for the purpose of this paragraph, the terms set forth below as follows:</p> <p>(i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the selection process or in execution of a contract;</p> <p>(ii) "fraudulent practice" means a</p>

	<p>misrepresentation or omission of facts in order to influence a selection process or the execution of a contract;</p> <p>(iii) “collusive practices” means a scheme or arrangement between two or more firms with or without the knowledge of the Client, designed to establish prices at artificial, noncompetitive levels;</p> <p>(iv) “Coercive practices” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract.</p> <p>(b) will reject a Proposal for award if it determines that the Firm recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract;</p> <p>(c) will sanction a Firm, including declaring the Firm ineligible, either indefinitely or for a stated period of time, to be awarded a QASPL contract if at any time it determines that the Firm has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a QASPL contract; and</p> <p>(d) will have the right to require Firms to permit the QASPL to inspect their accounts and records and other documents relating to the submission of proposals and contract performance, and have them audited by auditors appointed by the QASPL.</p>
	<p>1.7 Firms, their sub-consultants, and their associates shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by the QASPL in accordance with the above para. 1.6. Furthermore, the Firms shall be aware of the provisions on fraud and corruption stated in the specific clauses in the General Conditions of Contract.</p>
<p>Only one Proposal</p>	<p>1.8 Firms may only submit one Proposal. If a Firm submits or participates in more than one Proposal, all such Proposals individually or mutually shall be disqualified.</p>
<p>Proposal Validity</p>	<p>1.9 The Data Sheet indicates how long Firms’ Proposals must remain valid after the submission date. During this period, Firms shall maintain the availability of professional staff nominated in the Proposal. The Client will make its best effort to complete award of Contract within this period.</p>

	<p>Should the need arise, however, the Client may request Firms to extend the validity period of their Proposals. Firms who agree to such extension shall confirm that they maintain the availability of the professional staff nominated in the Proposal, or in their confirmation of extension of validity of the Proposal, Firms may submit new staff in replacement, who would be considered in the final evaluation for Contract award. Firms who do not agree have the right to refuse to extend the validity of their Proposals.</p>
<p>2. Clarification and Amendment of Documents</p>	<p>2.1 Firms may request a clarification of any of the documents till the date indicated in the Data Sheet. Any request for clarification must be sent in writing, or by standard electronic means to the Client’s address indicated in the Data Sheet. The Client will respond in writing, or by standard electronic means (email) and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all Firms. Should the Client deem it necessary to amend the document as a result of a clarification, it shall do so following the procedure under para. 2.2.</p> <p>2.2 At any time before the submission of Proposals, the Client may amend the document by issuing an addendum in writing to give Firms reasonable time in which to take an amendment into account in their Proposals the Client may, if the amendment is substantial, extend the deadline for the submission of Proposals.</p>
<p>3. Preparation of Proposals</p>	<p>3.1 The Proposal (see para. 1.2), as well as all related correspondence exchanged by the Firms and the Client, shall be written in English.</p>
	<p>3.2 In preparing their Proposal, Firms are expected to examine in detail the documents comprising the tender. Material deficiencies in providing the information requested may result in rejection of a Proposal.</p>
<p>Technical Proposal Format and Content</p>	<p>3.3 The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information shall be declared non responsive.</p>
<p>Financial Proposals</p>	<p>3.4 The Financial Proposal shall be prepared using the attached Standard Forms (Section 4). It shall list all costs associated with the Assignment. The Firm shall provide the Client with breakdown of remuneration rates as detailed in Form FIN-2 of Section 4.</p>
<p>Taxes</p>	<p>3.5 The Consultant shall provide services subject to all local taxes (such as: value added or sales tax or income taxes</p>

	including taxes on non-resident Foreign Personnel, duties, fees, levies) on amounts payable by the Client under the Contract.
	3.6 Consultants shall express the price of their Services in Pakistan Rupees.
4. Submission, Receipt, and Opening of Proposals	<p>4.1 The original Proposal (Technical Proposal and, Financial Proposal; see para. 1.2) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Firms themselves. The person who signed the Proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the format of Form TECH-1 of Section 3, and Form FIN-1 of Section 4.</p> <p>4.2 An authorized representative of the Firm shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been duly authorized to sign. The signed Technical and Financial Proposals shall be marked “Original”.</p> <p>4.3 The Technical Proposal shall be marked “Original” or “Copy” as appropriate. The Technical Proposals shall be sent to the addresses referred to in para. 4.5 and in the number of copies indicated in the Data Sheet. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original prevails.</p> <p>4.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked “Technical Proposal” Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked “Financial Proposal” followed by the name of the Assignment, and with a warning “Do Not Open With The Technical Proposal.” The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and title of the Assignment, clearly marked “Do Not Open, Except In Presence Of The Official Appointed, Before Submission Deadline”. The Client shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may constitute a case for rejecting the Proposal. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute</p>

	grounds for declaring the Proposal non-responsive.
	<p>4.5 The Proposals must be sent to the address/addresses indicated in the Data Sheet and received by the Client no later than the time and the date indicated in the Data Sheet, or any extension to this date in accordance with para. 2.2. Any Proposal received by the Client after the deadline for submission shall be returned unopened.</p> <p>4.6 The Client shall open the Technical Proposal as mentioned in bid data sheet. The envelopes with the Financial Proposal shall remain sealed and securely stored.</p>
5. Proposal Evaluation	<p>5.1 From the time the Proposals are opened to the time the Contract is awarded, the Firms should not contact the Client on any matter related to its Technical and/or Financial Proposal. Any effort by Firms to influence the Client in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Firms' Proposal.</p> <p>The Evaluation Committee, while evaluating Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.</p>
Evaluation of Technical Proposals	<p>5.2 The Evaluation Committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified. Each responsive Proposal will be given a technical score (St). A Proposal shall be rejected at this stage if it does not respond to important aspects of the tender, and particularly the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Data Sheet.</p>
Public Opening and Evaluation of Financial Proposals	<p>5.3 After the technical evaluation is completed, the Client shall inform the Firms who have submitted proposals the technical scores obtained by their Technical Proposals, and shall notify those Firms whose Proposals did not meet the minimum qualifying mark or were considered non responsive to the tender and TOR, that their Financial Proposals will be returned unopened after completing the selection process. The Client shall simultaneously notify in writing Firms that have secured the minimum qualifying mark, the date, time and location for opening the Financial Proposals. Firms' attendance at the opening of Financial Proposals is optional. The opening date shall be set so as to allow interested firms sufficient time to make arrangements for attending the opening.</p> <p>5.4 Financial Proposals shall be opened publicly in the presence of the Firms' representatives who choose to</p>

	<p>attend. The name of the Firms, and the technical scores of the Firms shall be read aloud. The Financial Proposal of the Firms who met the minimum qualifying mark will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded.</p> <p>5.5 The Evaluation Committee will correct any computational errors. When correcting computational errors, in case of discrepancy between a partial amount and the total amount, or between word and figures, the formers will prevail. In addition to the above corrections, as indicated under para. 3.6, activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the Financial Proposal differently from the Technical Proposal, (i) if the Time-Based form of contract has been included in the tender, the Evaluation Committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity and correct the total Proposal cost, (ii) if the Lump-Sum form of contract has been included in the tender, no corrections are applied to the Financial Proposal in this respect.</p> <p>5.6 The lowest evaluated Financial Proposal (Fm) will be given the maximum financial score (Sf) of 100 points. The financial scores (Sf) of the other Financial Proposals will be computed as indicated in the Data Sheet. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + P = 1) indicated in the Data Sheet: $S = St \times T\% + Sf \times P\%$. The firm achieving the highest combined technical and financial score will be invited for negotiations.</p>
<p>6. Negotiations</p>	<p>6.1 The negotiations may be conducted as per PPRA Rules 2014. The invited Firm will, as a pre-requisite for attendance at the negotiations, confirm availability of all Professional staff. Failure in satisfying such requirements may result in the Client proceeding to negotiate with the next-ranked Firm. Representatives conducting negotiations on behalf of the Firm must have written authority to negotiate and conclude a Contract.</p>
<p>Conclusion of the negotiations</p>	<p>6.2 Negotiations will conclude with a review of the draft Contract. To complete negotiations the Client and the Firm will initial the agreed Contract. If negotiations fail,</p>

	the Client will invite the Firm whose Proposal received the second highest score to negotiate a Contract.
7. Award of Contract	<p>7.1 After completing negotiations the Client shall announce the results on PPRA and QASPL website as per Rule 37 of Punjab Procurement Rules, 2014 and promptly notify all Firms who have submitted proposals. After 10 days of announcement of result the Client will award the Contract to the selected Firm, the Client shall return the unopened Financial Proposals to the unsuccessful Firms.</p> <p>7.2 The Consultancy Firm is expected to commence the assignment on the date and at the location specified in the Data Sheet.</p>
8. Confidentiality	8.1 Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Firm who submitted the Proposals or to other persons not officially concerned with the process, until the announcement of evaluation report. The undue use by any Firm of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of the Consultant Selection Guidelines relating to fraud and corruption.

Instructions to Firms

DATA SHEET

Paragraph Reference										
1.1	Name of the Client: <u>Quaid-e-Azam Solar Power (Pvt.) Ltd (OASPL)</u> Method of selection: <u>OCBS (70:30)</u>									
1.2	Financial Proposal to be submitted together with Technical Proposal separately in sealed envelope: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Name of the assignment is: Internal Audit Services for Conduct Internal Audit for FY 2022-23 “Client” means the Quaid-e-Azam Solar Power (Pvt) Ltd.									
1.3	A pre-proposal conference will be held: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>									
1.9	Proposals must remain valid for a period of <u>90</u> days after the submission date.									
3.6	Firm to state Financial proposal in the national currency i.e PKR: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>									
4.2	Firm must submit the 1 original Technical Proposal, and 1 original of the Financial Proposal.									
4.5	The Proposal submission address is: Chief Executive Officer 3rd Floor, 83 A E/1, Main Boulevard, Gulberg III, Lahore Phone: +92 99332261-65 Fax 042-35790366 Email: pm@qasolar.com; am.audit@qasolar.com Proposals must be submitted no later than the following date and time: <u>20th July, 2023 by 03:00 pm PST.</u>									
4.6	The Technical Proposal shall be opened on the following date and time: <u>20th July, 2023 by 03:30 pm PST.</u>									
5.2 (a)	Criteria, sub-criteria, and point system for the evaluation of Technical Proposals are: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: center;">Eligibility Criteria</th> </tr> <tr> <th style="text-align: center;">Sr.No</th> <th style="text-align: center;">Description</th> <th style="text-align: center;">Yes / No</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">01</td> <td>The firm must be “A” ranking as per State Bank of Pakistan</td> <td></td> </tr> </tbody> </table>	Eligibility Criteria			Sr.No	Description	Yes / No	01	The firm must be “A” ranking as per State Bank of Pakistan	
Eligibility Criteria										
Sr.No	Description	Yes / No								
01	The firm must be “A” ranking as per State Bank of Pakistan									

02	The firm must have a Satisfactory QCR Rating of ICAP	
03	NTN Certificate	
04	Punjab Sales tax Registration Certificate	
05	Duly attested affidavit that the firm is not blacklisted by any Government organization.	
06	Bid Security PKR 30,000/- (2% of estimated cost Rs 1.50 million)	

(B) Technical Evaluation:

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

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

Technical Evaluation Criteria

Years of Existence in Pakistan (Attach ICAP certificate or extracts of partnership deed bearing firms CURRENT Name) **15 Marks**

At least 10 years	Total Marks	Years	Marks
		10	5
15	15	11-20	10
		20+	15

Number of Partners (Stamped CVs to be attached) *Please refer*

Annexure "A" 20 Marks

At least 01 Partner	Total Marks	No. of Partners	Marks
		1-5	10
20	20	6-10	15
		10+	20

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	3+	05

Number of Audit Staff (Attach list of audit staff showing qualification) 10 Mark *Please refer Annexure "B"*

At least 50 staff	Total Marks	No. of Staff	Marks
		up to 50	5
	10	50+	10

Govt. / Semi Govt. Experience (Evidence/Audit Certificates from 2017-18 to 2021-22 to be attached)

Please refer Annexure "C" 25 Marks

Experience of Govt. / Semi Govt. Organization's internal and external Audit (singularly) in last 5-years (At least 05 Entities)	Total Marks	No. of Entities	Marks
		At least 05	10
	25	06-10	20
		10+	25

Power Sector Experience (Evidence/Audit Certificates from 2017-18 to 2021-22 & 55 MW certificate to be attached)

Please refer Annexure "D" 25 Marks

Experience of Organization's internal and external 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
		At least 05	10
	25	06-10	20
		10+	25

Note: Those firms that could not fulfill the eligibility criteria shall be stands disqualified.

In order to qualify for the financial bid opening stage, the firm is required to secure at least 65 marks at the technical evaluation stage. The financial bid of the firms would be returned unopened if it couldn't meet the threshold of 65 marks. Applicants are prohibited to form Joint Venture.

5.6	<p>The formula for determining the financial scores is the following:</p> <p>$S_f = 100 \times F_m / F$, in which S_f is the financial score, F_m is the lowest price and F the price of the proposal under consideration.</p> <p>The weights given to the Technical (T) and Financial Proposals (F) are: T = <u>0.70</u> ,and F = <u>0.30</u></p>

Section 3: Technical Proposal - Standard Forms

Refer to Reference Paragraph 4.2 of the Data Sheet for format of Technical Proposal to be submitted, and paragraph 3.3 of Section 3 of the tender for Standard Forms required and number of pages recommended.

TECH-1 Technical Proposal Submission Form

Annexure A

Annexure B

Annexure C

Annexure D

FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: [Name and address of Client]

Dear Sir,

We, the undersigned, offer to provide for conducting Internal Audit for FY 2022-23 in accordance with your Tender Document dated [Insert Date] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope¹.

We are submitting our Proposal in association with: [Insert a list with full name and address of each associated Firm]²

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If contract negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in Paragraph Reference 1.9 of the Data Sheet, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Paragraph Reference 4.6 of the Data Sheet.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name Firm: _____

Address: _____

Annexure “A”

List of Partners (Chartered Accountants) in the firm in Pakistan

<u>Serial No.</u>	<u>Name</u>	<u>Membership Number</u>	<u>Office</u>

Authorized Signatures

Name and title of signatory

Annexure “B”

List of Trainees registered with ICAP

<u>Serial No.</u>	<u>Name</u>	<u>ICAP Registration Number</u>	<u>Designation</u>	<u>Office</u>

Authorized Signatures
Name and title of signatory

Government / Semi-Government Audit Experience Details

<u>Serial No.</u>	<u>Organization</u>	<u>Audit year</u>	<u>Nature of Assignment</u>	<u>Engagement Partner</u>

Authorized Signatures
Name and title of signatory

Power Sector Experience Details

<u>Serial No.</u>	<u>Organization</u>	<u>Audit year</u>	<u>Nature of Assignment</u>	<u>Engagement Partner</u>

Authorized Signatures

Name and title of signatory

Section 4: Financial Proposal - Standard Forms

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal according to the instructions provided under para. 3.4 of Section 3. Such Forms are to be used whichever is the selection method indicated in para. 4 of the Letter of Invitation.

FIN-1 Financial Proposal Submission Form

FIN-2 Summary of Costs

FORM FIN-1 FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: [Name and address of Client]

Dear Sir,

We, the undersigned, offer to provide For conducting Internal Audit for FY 2022-23 in accordance with your RFQ Document dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures¹]. This amount is inclusive of the taxes.

Our Financial Proposal shall be binding upon us up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 1.9 of the Data Sheet.

No commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Contract execution.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name Firm: _____

Address: _____

FORM FIN-2 SUMMARY OF COSTS

Item	Costs
	Pak Rupees
Internal Audit Services For Conduct Internal Audit for FY 2022-23	
Out of Pocket Expense	
Total Costs of Financial Proposal including all applicable taxes	

Note: Financial Cost is inclusive of all applicable taxes, duties, out-of-pocket expenses and traveling expenses.

SECTION 5: TERMS OF REFERENCE

Quaid e Azam Solar Power (Pvt.) Ltd

INTERNAL AUDIT SERVICES

FOR Financial Year 2022-23

1. BACKGROUND OF THE COMPANY

Quaid-e-Azam Solar Power (Pvt.) Limited, hereinafter referred as “Company”, was incorporated on 16th September 2013 as a private company limited by shares with majority shareholding held by 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.

2. BACKGROUND TO THE ASSIGNMENT

The Public Sector Companies Corporate Governance Rules (CGR) 2013 requires the establishment of an effective internal audit function under the control and direction of the Audit Committee. This whole function has been outsourced to the firm selected under this process by the Company in terms of CGR 2013.

3. THE OVERALL OBJECTIVE

The objective of this bid is to appoint a suitable independent internal audit service provider, hereinafter referred as “Audit Firm”, who can Conduct Internal Audit for FY 2022-23 to the Board and Management of the Company.

4. CONTRACT PERIOD

The duration of the contract is normally anticipated to run for a period of one year. The company will reserve the right to review the contract at the end of the term. The company also reserves the right to cancel the contract of the Audit Firm on 2 months’ notice.

5. CONDUCT OF WORK

5.1 The Audit Firm will be required to work at the premises of the company. In some instances, work may be extended to where project is being implemented. The Audit team would be expected to stay at project site for at least 5 working days relating to internal audit assignment.

5.2 The company will provide office space for the Audit Firm as required.

6. ROLE AND OBJECTIVES OF INTERNAL AUDIT

6.1 In terms of the Public-Sector Companies Corporate Governance Rules 2013, the Company should have an effective internal audit function.

6.2 The Audit Firm should assist the company to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

6.3 The risk management strategy, which must include a fraud prevention plan, must be used to direct the internal audit effort.

6.4 In planning and conducting its work, the Audit Firm should seek to identify serious defects in the internal controls, which might result in possible malpractices. Any such defects must be reported immediately to the Audit Committee, without disclosing these to any other member of staff or regulatory authority. This also applies to instances where serious fraud and irregularity is uncovered. The Audit Firm shall give a certificate that no fraud or irregularity has come to their notice during the period under review.

7. ORGANISATIONAL STATUS OF INTERNAL AUDIT

7.1 The Audit Firm will work in liaison with Internal Audit Department. The function must be Independent of activities that are audited, with no limitation on its access to information.

7.2 The Audit Firm is an integral part of the organization and functions under the policies established by senior management and the Board.

7.3 The Audit Plan of the Internal Audit Firm is formally approved by the Audit Committee.

8. SCOPE OF INTERNAL AUDIT

Internal Audit Firm

The internal audit firm shall conduct an internal audit of QASPL for FY 2022-23.

Scope of Internal Audit Services:

- Evaluating risk exposure relating to the achievement of the organization's strategic objectives.
- Evaluating the reliability and integrity of information and the means used to identify, measure, classify, and report such information.
- Evaluating the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on the organization.
- Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Evaluating the effectiveness and efficiency with which resources are employed.
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Monitoring and evaluating governance processes.
- Monitoring and evaluating the effectiveness of the organization's risk management processes.
- Performing consulting and advisory services related to governance, risk management and control as appropriate for the organization.
- Reporting periodically on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan.
- Reporting significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the Audit Committee.
- Evaluating specific operations at the request of the Audit Committee or management, as appropriate.
- 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.
- Assisting the Audit Committee, and through them, the BOD and Management in the effective discharge of their responsibilities by furnishing them with the analysis, appraisals, recommendations, counsel and information concerning the activities reviewed and regular follow-up.

The Internal Audit Function must, in consultation with the Audit Committee, prepare:

- a. A one (01) year strategic Internal Audit Plan based on its assessment of key areas of risk for the public entity, having regard to its current operations, the operations proposed in its corporate or strategic plan and its risk management strategy;
- b. An annual Internal Audit Plan;
- c. Plans indicating the scope and timelines of each audit in the annual Internal Audit;
- d. Audit Reports directed to the Audit Committee detailing its performance against the plan to allow for effective monitoring and intervention where necessary.

Expected Outcomes and Deliverables:

The Internal Audit Firm shall conduct Internal Audit for FY 2022-23 and report to the Audit Committee as and when required. The Audit Reports will be provided to the Audit Committee. The structure of the Internal Audit Report is to be as follows:-

- ✓ Introduction;
- ✓ Audit objective and scope;
- ✓ Background;
- ✓ Assurance level provided to different areas of control environment as per COSO framework for Internal Audit.
- ✓ Executive summary, highlighting significant findings;
- ✓ Findings, recommendations & Management responses (including implementation dates);
- ✓ Status of all open and closed items carried forward from last quarter (if applicable)
- ✓ All audits are to be carried out according to the internal Audit Plan approved by the Audit committee;
- ✓ Conclusion; and
- ✓ The auditor is to deliver to the chairperson of the Audit Committee and CEO an electronic copy and one signed copy of the final report. The audit firm is also responsible to present the audit report(s) to the Audit Committee formally during a meeting and discuss the matters.

9. Competency and expertise requirements

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

10. Proposal

- I. The company intends to invite technical and financial proposal to conduct the Internal Audit for the year under reference.
- II. The technical and financial proposals in response to these TOR's should be delivered to the company's office in separately marked sealed envelopes by the closing date as mentioned in the advertisement. The technical proposal would be opened at the given time, as mentioned in the advertisement, in the Committee Room of the Company, 3rd Floor, 83-A/E-1, Main Boulevard, Gulberg-III Lahore. For opening of financial proposals, date, time and venue will be communicated separately.

- III. Initial screening and technical proposal must be accompanied with all the evidences as required under each category of technical evaluation. The marks would be strictly awarded based on the attached evidences only.
- IV. The fee quoted in the financial bid must be absolute and all inclusive of taxes, including out-of-pocket expenses, being the total annual fee, which shall supersede all other amounts. The out-of-pocket expenses also include the boarding & lodging expenses to visit the plant site.
- V. As the reporting requirement shall be on a quarterly basis, or as decided by the company, the payments would be made accordingly or as decided by the company.
- VI. The bid documents must be serially numbered separately in areas of initial screening, technical and financial proposal. The bid documents must be in binding form, and each category of evaluation should have a separate content page containing all information and paging attached in respective evaluation criteria. The content pages must be the letter head, bearing the firms stamp and should be signed by the authorized person who signed the bid submission letter.