

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 (Now the Companies Act, 2017). 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 2020-2021 as per Companies Act 2017.

3. COVERING LETTERS

Covering letter must be addressed to Manager Finance, Quaid-e-Azam Solar Power (Pvt.) Limited, Lahore.

4. QUERIES

For any queries or additional information, please contact Manager Finance 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 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

1. All proposals shall be delivered to the company's office on or before September 21st 2021 (Tuesday) 3:00 pm the office of QASPL. Technical proposals will be opened at 3:30 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. Bids submitted after the closing time prescribed shall be rejected and returned without being opened. Financial proposals of only technically qualified bidders will be opened on the day notified by QASPL. Financial proposals of technically unsuccessful bidders will be returned un-opened on the financial proposal opening day.

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. (Format given in Annex B)
- 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	5
	10	50 & Above	10

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	Total Marks	No. of Entities	Marks
		01-05	10
	25	06-10	20
		11 & Above	25

(singularly) in last 5-years			
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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

The Financial Proposals of only eligible bidders with technically qualified specifications will be opened in the presence of all the bidders. All bids shall be opened publicly in the presence of bidders or their representatives who may choose to be present, at the time and place announced prior to the bidding. All bidders shall sign an attendance sheet at the time of bid opening. Please provide information regarding Financials in **Annex A**.

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, and F = 0.3

Annex-A Financial Proposal

Total Cost	Costs without taxes	Out of Pocket Expenses without taxes	Taxes	Costs Including all taxes
	Amount in PKR			
Total Cost of Financial Proposal				

Sr. No.	Particulars	External Audit Fee without Taxes	Out of Pocket Expenses without taxes	Taxes (%age and amount in Pak Rupee)	Total Cost inclusive of all applicable taxes
1	Statutory Audit of QASPL under Companies Act 2017 for the Financial Year 2021-22				
2	Compliance Audit of QASPL under the SECP Corporate Governance Rules 2013 for the Financial Year 2021-22				
	Grand Total				

Business will be awarded on lump sum/total cost for whole assignment.

Payment Terms: Upon completion of assignment/deliverable to the satisfaction of the Client, payment shall be made within 30 days after submission of the invoice.

Cover Letter for the Submission of Proposal (On Letter Head)

Location: _____

Date _____

To:

Dear Sir,

We, the undersigned, offer to provide the services for Hiring of Firm for External Audit in accordance with your Request for Proposal dated [date here]. We hereby submit our technical and financial proposals including the required documents in a sealed envelope.

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. Our proposal is binding upon us and subject to the modifications resulting from contract negotiations. We undertake that we will initiate the services as per the client's request if our proposal is accepted. We understand that you are not bound to accept any or all proposals you receive.

We understand that the selection process for **Hiring of Firm for External Audit** will be in accordance with prevailing Procurement Rules and you are not bound to accept my Request for Proposal.

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name of Engagement Partner: _____

Address: _____

Affidavit for Non-Blacklisting

Annex-B

(To be printed on PKR 100 Stamp Paper)

Template for Affidavit

It is hereby solemnly confirmed and declared that M/s -----, is declaring on oath that the Applicant:

- is not in bankruptcy or liquidation proceedings;
- has *never* been declared ineligible/blacklisted by Government / Semi-Government / Agency or Authority or any employer till date due to the any reasons
- is not making any misrepresentations or concealing any material fact and detail;
- has not been convicted of, fraud, corruption, collusion or money laundering;
- 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
- does not fall within any of the circumstances for ineligibility or disqualifications

(Stamp of Company)

(Signatures of Authorized Rep)

Company Name

Attestation by Oath Commissioner and/or Notary Public

NOTE: In case of involvement of applicant / bidder in any litigation or arbitration, current status or the proof of dispute resolution along with the history of litigation / arbitration for last five years on Litigation History Form (See Annexures-C) shall be provided with the application / bid.

