

TERMS OF REFERENCE FOR STATUTORY AUDITOR

BACKGROUND

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. The Company is setting up 100 MW solar Power Plant in Bahawalpur .

STATUTORY AUDITORS

The Company intends to appoint its auditors to audit the financial statement of the Company for the periods ending June 30, 2015, 2016, 2017 as per the scope defined in the Company Ordinance, 1984 and ISA -200.

COVERING LETTERS

Covering Letter (if any) must be addressed to Mr. Najam Ahmed Shah, Chief Executive Officer, Quaid-e-Azam Solar Power (Pvt) Limited, Lahore.

QUERIES

For any queries or additional information, please contact: Mr. Muhammad Badar Ul Munir, CFO on (042) 35790363-6

CRITERIA OF EVALUATION

The company will use quality cost base for selection under single stage two envelope method of selection of consultants under PPRA (Punjab procurement Regulatory Authority Act 2009).

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

- 80% for Technical Score
- 20% for Financial Score

OPENING OF PROPOSALS

All proposals must be delivered to the company's office on or before **3:00pm** on the **10th of March 2015**. Technical proposals will be opened at 3:30 pm on the same day in the Committee Room 3rd Floor, 83-A/E-1, Main Boulevard, Gulberg -III Lahore; for opening of financial proposals date, time and venue will be communicated separately.

NOTE: Firms scoring less than **70 point** in technical evaluation will be considered non responsive and financial proposals will be returned un-opened.

TECHNICAL AND FINANCIAL EVALUATION

Annex A

A. INITIAL SCREENING:

The following documents / certificates are the pre-requests and may 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:

- i. The firm must be "A" ranking as per State Bank of Pakistan
- ii. The firm must have affiliation with some large and renowned foreign audit firm
- iii. Declaration on stamp paper regarding non-black listing / delisting
- iv. Satisfactory QCR Rating of ICAP
- v. Taxpayer Registration Certificate
- vi. Partnership Registration Certificate

B. TECHNICAL EVALUATION:

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

- i. Number of Partners
- ii. Number of Audit Staff
- iii. Experience of Govt. / Semi Govt. Organization Audits
- iv. Experience of Audit of Independent Power Producers (IPPs)
- v. Experience of Commercial Banks Audit
- vi. Financial Worth

Minimum score for competing in the next stage is 70 %. The financial proposal of only that audit firm will be opened which secured 70% or more in the Technical Evaluation.

Number of Partners (CVs must be attached) 20 Marks

	Total Marks	Range of Partners	Marks
		10-20	5
At least 10	20	21-30	10
		31-40	15

		41 & above	20
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Number of Audit Staff (list of audit staff showing qualification): 20Marks

At least 100 Staff	Total Marks	Range of Staff	Marks
		100-175	5
		176-250	10
	20	251-300	15
		301 & above	20

Govt. / Semi Govt. Experience:

15 Marks

Experience of at least 5 Govt. / Semi Govt. Organization's Audit (singularly) in last 5-years	Total Marks	Number of organizations	Marks
		5	5
		06--10	8
	15	11--14	12
		15 & above	15

Power Sector Experience:

15Marks

Experience of at least 5 Independent Power Producers (IPPs) Audit (singularly) in last 5-years	Total Marks	Number of organizations	Marks
		5	5
		06--10	8
	15	11--14	12
		15 above	15

Banking Sector Experience:**15Marks**

Experience of at least 1 Commercial Bank (singularly) Audit in last 5 years	Total Marks	Number of organizations	Marks
		1	5
		2	10
	15	3& above	15

Financial Worth:**15Marks**

	Head of account	Marks	Marks allocation
Total Marks	Current assets	3	1 Mark for each 10 million (Maximum 3 marks)
	Working capital	4	1 Mark for each 05 million (Maximum 4 marks)
15	Income	4	1 Mark for each 20 million (Maximum 4 marks)
	Fixed Assets	4	1 Mark for each 5 million (Maximum 4 marks)

FINANCIAL EVALUATION:

Financial proposals of only technically qualified audit firm 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 = 0.8, and F = 0.20