

Quaid e Azam Thermal Power (Pvt) Limited



REQUEST FOR PROPOSAL (RFP)

Preparation of Risk Register

(Khalid Parvaiz)
General Manager (Admin & HR)
Quaid-e-Azam Thermal Power (Pvt.) Limited
First Floor, 7 C-1, Gulberg-III, Lahore.
Phone: +92 (42) 35750936-8

SUBJECT: LETTER OF INVITATION

1. Quaid e Azam Thermal Power(pvt) Limited (hereinafter referred “QATPL”) is a Company Limited by Shares incorporated under the Companies Ordinance, 1984. The QATPL is owned by the Government of Punjab through Energy Department. The objective of the Company is to establish and maintain a 1180 MW Re-Gasified Liquefied Natural Gas (RLNG) based Thermal Power Plant at Bhikki, Sheikhpura within the stipulated timeline keeping in view the severe power shortage.

2. QATPL invites proposals from the Chartered Accountancy Firms to provide the services of preparation of risk register of the company

More information about the eligibility criteria & services are provided in the Terms of Reference annexed with the RFP documents. Interested bidders should provide information indicating that they are qualified to perform the services on the prescribed forms given in the RFP documents.

3. The RFP includes the following documents:

- Letter of Invitation
- Instructions to Chartered Accountancy Firms
- Terms of Reference
- Evaluation Criteria
- Type of Contract
- Payment Mode

4. Bidder for preparing risk register of QATPL shall be engaged via Quality and Cost Based Selection as provided under the Punjab Procurement Rules 2014.

5. Two sets of “**Technical Proposal**” and “**Financial Proposal**” on the prescribed forms given in the RFP, separately sealed, signed & stamped, must be delivered to the address given below by no later than 16-08-2017 before 3:00 PM. The Technical Bids will be opened on the same day at 03:30 PM in the presence of the representatives of the firms who may wish to attend whereas Financial Bids will be retained unopened. Date of opening of financial proposal of technically qualified bidders will be announced later. Financial proposals of technically unsuccessful bidders will be returned un-opened on the financial proposal opening day.

Regards,

Yours sincerely,

(Khalid Parvaiz)
General Manager (Admin & HR)
Quaid-e-Azam Thermal Power (Pvt.) Limited
First Floor, 7 C-1, Gulberg-III, Lahore.
Phone: +92 (42) 35750936-8
[Email:gm@qathermal.com](mailto:gm@qathermal.com)

Instructions to Chartered Accountancy Firms

Definitions:

- (a) “Agreement” means the Agreement signed by the Parties and all the attached documents.
- (b) “Client” means Quaid e Azam Thermal Power(Pvt) Limited with which the selected Bidder signs the Agreement for the Services.
- (c) “Bidder” means any entity or person that may provide or provides the Services to the Client under the Agreement.
- (d) “Day” means calendar day.
- (e) “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.
- (f) “Instructions to Bidders” means the document which provides shortlisted Bidders with all information needed to prepare their Proposals.
- (g) “Personnel” means professionals and support staff provided by the Bidder 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.
- (h) “Proposal” means the Technical Proposal and the Financial Proposal.
- (i) “RFP” means the Request for Proposal to be prepared by the Client for the selection of Bidders, based on the Standard RFP.
- (j) “Services” means the work to be performed by the Bidder pursuant to the Agreement.
- (k) “Terms of Reference” (TOR) means the document included in the RFP which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Client and the Bidder, and expected results and deliverables of the assignment.

General Provisions:

- a) Company Detail and Profile showing experience in similar field.
- b) Copy of registration with ICAP.

Special Provisions:

1. Evidence of number of partners working in the Chartered Accountant Firm (names, registration numbers and dates of admission).

2. Evidence of number of ICAP Qualified Chartered Accountants hired by the firm (Provide list with ICAP registration numbers)
3. Evidence of audit services clients (Relevant evidence e.g. client reference letter, annual report page, engagement letter etc.)
4. Evidence of audit services clients within power sector.
5. Evidence of Number of risk registers assignment. (Relevant evidence)
6. Evidence showing At least for 15 years the firm has been in practice in Pakistan. (Partnership deed)
7. Evidence of satisfactory ICAP QCR rating (ICAP list)
8. Names and addresses of offices in Pakistan (at least 2 including Lahore office) including key contact person in those offices.
9. Proposals should be addressed to the General Manager (Admin and HR), QATPL, 1st Floor, 7-C-1 Gulberg III, Lahore.
10. Affidavit on Rs.100/- stamp paper to the effect that the firm is not blacklisted and has no dispute with any Government Organization shall be furnished.
11. All the pages of Bidding documents and in case having any Erasing/ cutting/ crossing or over writing etc., therein, must be properly signed by the signing person of the bidder by the authorized signatory, who have been given power of attorney on company letter head (be enclosed with bidding documents, if any), along with attested copy of his CNIC.
12. Offer shall not be considered if received after the time and date fixed for its receipt.
13. A Bidder (including its Personnel and Sub-Contractor) 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 Bidder to be executed for the same or for another Client. **Conflicting Assignment**

FORM OF BID AND THE BIDDING PROCESS

Bids will be selected in accordance with the Punjab Procurement Rules (PPRA)-2014, as a Single Stage – Two Envelope procedure. The bidding process will be as under:

1. The bid shall comprise a single package containing two separate envelopes. The envelopes shall be marked as “TECHNICAL PROPOSAL” and “FINANCIAL PROPOSAL” in bold and legible letters;
2. The envelope No.1 should contain the complete Technical Bid and undertaking for technical proposal submission. **Annex-B**
3. The envelope No. 2 will contain only the financial bid.
4. Both the above mentioned envelopes should be put in one large envelope, super scribed “This envelope contains two duly sealed envelopes containing Tender Document and the Price Bid for providing Services – in two separate duly sealed envelopes clearly marked so”.
5. The bidder must quote his price as per format **Annex-C and shall include all taxes (Federal and Provincial)**. Separate amounts shall be quoted for
 - a. Risk Register fee
 - b. Out of pocket expenses
6. The total amount quoted should be inclusive of all kind of taxes and must be quoted in figure as well as in words.
7. In the first stage, only the envelope marked “TECHNICAL PROPOSAL” shall be opened and the envelope marked as “FINANCIAL PROPOSAL” shall be retained without being opened;
8. The technical proposals of all the bidders shall be evaluated. The proposals which meet all the technical eligibility criteria laid down in this document shall be accepted for the second stage.
9. During technical evaluation no amendments in the technical proposal shall be permitted;
10. The financial proposals of selected bidders shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance. The financial proposals of the rejected bidders shall be returned un-opened;
11. Both the proposals will be evaluated according to the evaluation criteria and the bidder scoring highest points shall be declared as successful and a written Contract Offer will be made to the successful bidder after a minimum of 10 working days of the evaluation of bids.

12. The service provider will also sign an undertaking with the QATPL in which the completion of work will be ensured as per **Annex-A**.

Terms of Reference

1. Company Background:

Quaid-e-Azam Thermal Power (Private) Limited (QATPL) was incorporated as a Private Company Limited by Shares with majority shareholding of the Energy Department, Government of the Punjab. The Company is to set up 1180.13 MW Re-gasified Liquefied Natural Gas Combined Cycle Power Plant at Bhikki.

2. Objectives:

The Company intends to outsource preparation of risk register of the Company as per the requirement of The Public Sector Companies (Corporate Governance) Rules, 2013 and best practices.

3. Scope of the assignment:

The assignment covers the following:

- i. Conduct meetings with the key team members of the company
- ii. Reviewing documents and contracts.
- iii. Documentation of current system
- iv. Review internal control environment and systems for their effectiveness.
- v. Preparation of a comprehensive risk register covering all business processes e.g.:
 - a) Financial Reporting;
 - b) Construction;
 - c) Operations and Maintenance;
 - d) IT/Technology;
 - e) Regulatory/Legal Compliance;
 - f) Security/Human Resource;
- vi. Allocation of high, medium and low categories of risks and identify current controls for each risk and highlight where controls are not in place for the identified risks and suggest controls to mitigate the risks.

4. Core team of required experts:

Preparation and review work requires involvement of at least 1 Partner and 1 Manager.

5. Expected deliverables:

Comprehensive Risk Register

6. Project Timelines:

Project will be commenced within one week of issuance of acceptance letter by QATPL.

The project will be completed within 2 months.

7. Professional liability of consultants:

The consultant is liable to perform work such as comprehensive system understanding, reviewing documents, assessing the effectiveness of design of internal control environment and system.

Consultant needs to comply with general principles of ISRS 4400 while conducting the assignment.

The Consultant is liable not to disclose information to any third party which has been acquired during conduct of engagement.

8. Covering Letters:

Covering letter (if any) must be addressed to Mr. Khalid Parvaiz, GM Admin & HR, QATPL, 1st Floor, 7-C1, Gulberg III, Lahore.

9. Queries:

For any queries or additional information, please contact Mr. Fahad Amjad Khan, Chief Internal Auditor, QATPL on (042) 35750936-8.

Evaluation Criteria

The Company will use “**Quality and Cost Based Selection Method**” under “**Single Stage Two Envelope Methods**” of selection of Chartered Accountancy Firm under Punjab Procurement Rules, 2014. Criteria for Technical and Financial Evaluation are enclosed. Scores will be allocated based on evidence available in the proposal only. The Assignment will be awarded to the firm with the highest **total** score based on the following weight ratios:

- **70%** for Technical Score
- **30%** for Financial Score

Technical and Financial Evaluation

(A) Initial Screening

The following documents/ certificates are the pre-requisite and may be used for initial screening. The Chartered Accountancy Firm will go in the next stage if it fulfills all the requirement of initial screening which are as under:

1. The firm must be “A” ranking as per State Bank of Pakistan
2. The firm must have affiliation with one of the global Chartered Accountancy firms
3. Declaration on stamp paper regarding non-black listing / delisting
4. Satisfactory QCR Rating of ICAP
5. NTN Certificate

(B) Technical Evaluation:

The Firms will be evaluated as per following criteria:

1. Number of Partners in the firm within Pakistan
2. Number of ICAP qualified Chartered Accountants employed by the firm in Pakistan
3. Number of Audit Staff
4. Experience of Govt. / Semi Govt. Organization Audits
5. Experience of Audit of Power sector companies
6. Number of risk register assignments.
7. Operating years of firm in Pakistan
8. ICAP QCR rating
9. Number of Offices in Pakistan

Minimum score for competing in the next stage is **65%**. The Financial Proposal of only that Chartered Accountancy Firm will be opened which secured **65% or more** in the Technical Evaluation.

1. Number of Partners	Total Marks	Range of Partners	Marks
At least 5	15	5	8
		6-10	12
		11 & above	15
2. Number of ICAP Qualified Chartered Accountants Employed by Firm in Pakistan	Total Marks	Range of Qualified Chartered Accountants Employed	Marks
At least 10	15	10	8
		11-20	12
		21 & Above	15
3. Current Internal Audit Clients	Total Marks	No. of Clients	Marks
At least 5	15	5	8
		6 - 10	12
		11 & above	15
4. Current Internal Audit Clients within Energy Sector	Total Marks	No. of Clients	Marks
At least 2	10	2	5
		3 - 6	7
		7 & above	10
5. Number of Risk Register Assignments	Total Marks	No. of Assignments	Marks
At least 5	10	5	5
		6 – 9	7
		10 & above	10
6. Years of Existence in Pakistan	Total Marks	No. of Years	Marks
At least 15	15	15	8
		16 – 30	12
		31 & above	15
7. Membership with Global Audit Firm having no. of Offices Worldwide	Total Marks	No. of Offices	Marks
At least 50	10	50	3
		51 – 100	6
		101 & above	10
8. Number of Offices in Pakistan	Total Marks	No. of Offices	Marks
At least 2	10	2	6
		3 & above	10
Total	100		

(C) Financial Evaluation:

Financial Proposals of only Technically Qualified Chartered Accountancy Firm will be opened. The Chartered Accountancy Firm getting maximum marks on 70-30 weight age (70% for Technical and 30% for Financial) will be selected as Consultant.

Max 20 Points:

The formula for determining the Financial Score is the following:

$$\mathbf{Sf = 100 \times Fm / F}$$

Where, **Sf** is the Financial Score; **Fm** 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:

$$\mathbf{T = 0.70 \text{ and } F = 0.30}$$

Type of Contract

The Company (QATPL) will enter into a lump sum contract with the successful bidder.

The duration of the Contract would be for a terms of 2 months.

Payment Mode

The Company undertakes to pay valid invoice in full within thirty (30) days from raising of invoices as per approved engagement letter.

CERTIFICATE

1. Proposal duly signed must be furnished along with the following certificate:-
- i. I/We hereby confirm to have read carefully all the terms & conditions of your Request for Proposal, due for opening on __-__-__ for provision of preparation of risk register services of QATPL. In addition to the conditions we also agree to abide by all the special instructions mentioned in tender document. We also hereby categorically confirm that we are fully capable to provide services as laid down in the terms of reference.

Signature: _____

Name & Address of Chartered Accountancyor

Designation & ID Card No. _____

NTN _____ GST No. _____

Date: _____ Official Seal: _____

I. WITNESS

Signature: _____

Designation & ID Card No. _____

II. WITNESS

Signature: _____

Designation & ID Card No. _____

Technical Proposal Submission Form

To:
Chief Executive Officer,
Quaid e Azam Thermal Power (Pvt) Limited,
Lahore.

Dear Sir,

We, the undersigned, offer to provide the preparation of risk register Services in accordance with your Request for Proposal dated _____.
We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope¹.

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.

We undertake, if our Proposal is accepted, to initiate the required services not later than the date indicated in RFP.

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

Yours sincerely,

Authorized Signature : _____
Name and Title of Signatory: _____
Name of Firm: _____
Address: _____

BID PROFORMA

Sr#	PARTICULARS	(Rs)
1	Risk Register Fee	
2	Out of Pocket Expenses	
	Total Fee in Rs	
	Total fee (in words)	

Note: Quoted total fee must be inclusive of all kind of taxes and quoted in figure as well as in words.

Signature of the Bidder with seal

Address: _____
