

Conserve Electricity, Conquer Load-shedding.

G E P C O

EXPRESSION OF INTEREST

FOR APPOINTMENT OF STATUTORY (EXTERNAL) AUDITORS

Gujranwala Electric Power Company Limited (GEPCO) seeks Expression of Interest (EOI) from reputed Chartered Accountancy Firms to carry out Statutory Audit of GEPCO for Financial Year 2018-19 on the basis of Quality and Cost Based Method of Selection of Consultants as per PPRA's Procurement of Consultancy Services Regulations, 2010.

1. Audit Firm should be enlisted in Category-A of the Panel of Auditors issued by State Bank of Pakistan vide BPRD Circular Letter No.01 dated January 16, 2017 and should have satisfactory OCR rating by ICAP.
2. A Single Stage (2 Envelopes) procedure will be adopted. One envelope containing technical detail etc. of bidders shall clearly be marked "Technical Proposal" and the other containing the fee structure shall clearly be marked "Financial Proposal". The outer envelope should clearly be marked "Appointment of Statutory (External) Auditors".
3. The Request for Proposal (RFP) containing terms of reference, evaluation criteria and other related information are available at the address given below. However, it can be downloaded from GEPCO website (www.gepco.com.pk). This advertisement and RFP are also available on PPRA website (www.ppra.org.pk).
4. The quotes / bids should be addressed to the company secretary, and reach on or before October 23, 2018 at 11:00 A.M and will be opened on the same day at 11:30 A.M.
5. Technical Proposals including profile of Audit Firm will be opened in presence of firms' authorized representatives on the bids opening date. Technically compliant proposals will qualify for opening of financial bids.
6. GEPCO reserves the right to accept or reject any or all the bids as per PPRA rules.

Company Secretary
Room No. 50, 565-A, Model Town,
G.T Road, Gujranwala.
Telephone: 055-9200995

Gujranwala Electric Power Company Limited P10/L108A

DONATE FOR DIAMER BASHA AND MOHMAND DAMS

Conserve Electricity, Conquer Load-shedding.

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DONATE FOR DIAMER BASHA AND MOHMAND DAMS

GUJRANWALA ELECTRIC POWER COMPANY LIMITED



Request for Proposal (RFP)

FOR APPOINTMENT OF STATUTORY (EXTERNAL) AUDITORS

COMPANY SECRETARY
GUJRANWALA ELECTRIC POWER COMPANY LIMITED
Room # 50, 565-A MODEL TOWN, G.T. Road, Gujranwala
Telephone: 055-9200995

Email: gepco.secretary@gmail.com

Tender No. GEPCO/ Appointment of Statutory (External) Auditors

Through "Single Stage, Two Envelope" Procedure

Submission Date: Friday, October 26, 2018 at 11:00 am

To Be Opened On: Friday, October 26, 2018 at 11:30 am

GUJRANWALA ELECTRIC POWER COMPANY LIMITED



Bidding Document Number: GEPCO/ Appointment of Statutory (External) Auditors

APPOINTMENT OF STATUTORY (EXTERNAL) AUDITORS

Through "Single-Stage, Two-Envelope" Procedure

No: _____

Issuance Date: _____

Name of the Firm:

COMPANY SECRETARY
GUJRANWALA ELECTRIC POWER COMPANY LIMITED
Room # 50, 565-A MODEL TOWN, G.T.Road, Gujranwala
Telephone: 055-9200995

Email: gepco.secretary@gmail.com



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ACRONYMS& DEFINITIONS

As used in the Document	Description
BOD	Board of Directors, GEPCO
Company	Gujranwala Electric Power Company Limited (GEPCO)
Auditor	The firm who has been awarded the assignment
CEO	Chief Executive Officer
Firm	Any firm opting to respond to this RFP
GC	General Conditions of Contract
GEPCO	Gujranwala Electric Power Company Limited
NTN	National Tax Number
Party	Individually either GEPCO or the Bidder would be referred to as Party
RFP	Request For Proposal
SC	Special Conditions of Contract



Instructions to Audit Firms

Definitions:

- (a) "Agreement" means the Agreement signed by the Parties and all the attached documents.
- (b) "Client" means Gujranwala Electric Power Company Limited (GEPCO) with which the selected Bidder signs the Agreement for the Audit Services.
- (c) "Bidder" means a firm of Chartered Accountants that fulfills the eligibility criteria as prescribed by GEPCO in this RFP and duly registered with Institute of Chartered Accountants of Pakistan that may provide or provides the Services to the Client under the Agreement.
- (d) "Day" means calendar day.
- (e) "Government" means the Federal Government 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) "LOI" means the Letter of Invitation included in the RFP being sent by the Client to the shortlisted Bidders.
- (h) "Personnel" means professionals and support staff provided by the Bidder and assigned to perform the Services or any part thereof;
- (i) "Proposal" means the Technical Proposal and the Financial Proposal.
- (j) "RFP" means the Request for Proposal to be prepared by the Client for the selection of Bidders, based on the Standard RFP.
- (k) "Services" means the work to be performed by the Bidder.
- (l) "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.



The following should accompany with the bidding documents:-

General Provisions:

- a) Company Detail and Profile showing experience in similar field.
- b) Copy of registration with ICAP.
- c) Copy of certificate with regard to satisfactory QCR Rating of ICAP/.
- d) Copy of list of approved Auditors having Category "A" as per State Bank of Pakistan.
- e) Copy of NTN certificate & registration with relevant Revenue Authority.
- f) Copy of Verification as Active Taxpayer

Special Provisions:

- 1. Evidence of number of partners working in the Chartered Accountant Firm (names & addresses etc. of partners).
- 2. Evidence of number of qualified Chartered Accountants hired by the firm (Provide list)
- 3. Evidence of External Audit services clients (Relevant evidence).
- 4. Evidence of external audit services clients within energy sector (Relevant evidence)
- 5. Profile of Staff Deployed including their qualification & experience.
- 6. Evidence of membership with global audit firm(Affiliation status letter)
- 7. Evidence of Large Scale / Public Sector Companies IT based Audit Services.
- 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 Company Secretary, Gujranwala Electric Power Company (GEPCO), 565-A Model Town, G.T.Road, Gujranwala.



10. An undertaking to the effect that the firm is not blacklisted.
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.

Form of bid and the bidding process

Bids will be selected in accordance with the PPRA's Procurement of Consultancy Services Regulations, 2010, as 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 External Audit Services – in two separate duly sealed envelopes clearly marked so".
5. The bidder must quote his price as per format **Annex-C**. The rate(s) quoted should be inclusive of all kind of taxes and must be quoted in figure as well as in words. Out of pocket expenses for the assignment shall be quoted separately.



6. 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;
7. 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.
8. During technical evaluation no amendments in the technical proposal shall be permitted;
9. 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;
10. 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.
11. The service provider will also sign an undertaking with the GEPCO in which the completion of work will be ensured as per **Annex-A**.
12. GEPCO will not entertain or be liable for any claim for costs and expenses in relation to the preparation of the bid / proposal to be submitted in terms of this document.



Terms of Reference

Brief scope of work

The overall scope and purpose of the audit will be as follow:

- I. Statutory Audit of GEPCO under the Companies Act, 2017 for the Financial Year 2018-19.
- II. Review of Statement of Compliance with the SECP Public Sector Entities Corporate Governance Rules, 2013 for the Financial Year 2018-19.



Evaluation Criteria

The Company will use “**Quality Cost Based Selection Method**” under “**Single Stage Two Envelope Methods**” of selection of External Auditors under Public Procurement Rules. Criteria for Technical and Financial Evaluation are enclosed. Scores will be allocated based on evidence available in the proposal only. The Statutory 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

Technical and Financial Evaluation

(A) Initial Screening

The following documents/ certificates are the pre-requisite 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:

1. The firm must be “A” ranking as per State Bank of Pakistan
2. The firm must have affiliation with one of the global audit 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 in the Power Sector / Utility Companies



6. Number of Offices in Pakistan

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.



Technical Evaluation:-

S. No.	Particulars	Total Mark	Range of Partners	Marks
1	No. of Partners At least 6 (List of Partners attached)	20	6--10	5
			11--20	10
			21 & Above	20
2	No. of Qualified Chartered Accountants Employed by Firm	20	10—20	5
			21—40	10
			41 & Above	20
3	No of Audit Staff / Trainees At least 100 (List of Staff / Trainees attached)	10	100--200	5
			201 & Above	10
4	Experience of at least Govt. / Semi Govt. Organization's Audit (Singularly) in last 5 years	15	5	5
			6--10	10
			11 & Above	15
5	Experience of at least Power Sector / Utility Companies Audit (Singularly) in last 5 Years	15	3	5
			4--8	10
			9 & Above	15
6	Affiliation with any International Accounting / Auditing Firm	10	No	5
			Yes	10
7	No of Offices in Pakistan (At least 2)	10	2	5
			3 & Above	10



(C) 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 Score is the following:

$$FS = 100 \times LP / F$$

(Where, FS is the Financial Score; LP 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:

$$T = 0.80 \text{ and } F = 0.20$$

Type of Contract

The Company (GEPCO) will enter into a lump sum contract with the successful bidder. The duration of the Contract is for One year. However, the firm may be reappointed in compliance to the provisions contained in Companies Act 2017 and other applicable Rules and Regulations.

Payment Mode:

The Company undertakes to pay valid invoice in full within thirty (30) days from the providing of Audited Accounts and Report.



CERTIFICATE

Proposal duly signed must be furnished along with the following certificate:-

I/We hereby confirm to have read carefully all the terms & conditions of your Request for Proposal, due for opening on 23-Oct-2018 for provision of following services

I. Statutory Audit of GEPCO under the Companies Act, 2017 for the Financial Year 2018-19.

II. Review of Statement of Compliance with the SECP Public Sector Entities Corporate Governance Rules 2013 for the Financial Year 2018-19.

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 of External auditors as laid down in the RFP document.

Signature: _____

Name & Address of Tenderer _____

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

The Chief Executive Officer,
Gujranwala Electric Power Company
565-A, Model Town, G.T.Road
Gujranwala.

Subject: **Provision of Audit Services**

Dear Sir,

We, the undersigned, offer to provide the External Audit 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.

If negotiations are held during the period of validity of the Proposal, i.e., we undertake to negotiate on the basis of the proposed staff/facilities. Our Proposal is binding upon us and subject to the modifications resulting from Agreement negotiations.

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:



FINANCIAL BID PROFORMA

S.No	Particulars	External Audit Fee	Out Of Pocket Expenses	Total Fee
1	Statutory Audit of GEPCO under the Companies Act, 2017 for the Financial Year 2018-19			
2	Review of Statement of Compliance with the SECP Public Sector Entities Corporate Governance Rules 2013 for the Financial Year 2018-19			

TOTAL (in words)

Note: (Quoted Rate must be inclusive of all kind of taxes and quoted in figure as well as in words).

Signature of the Bidder with seal

Address: _____

