

ELECTRICITY THEFT

ZERO TOLERANCE

FULL ENFORCEMENT

GEPCO

EXPRESSION OF INTEREST (EOI)



FOR OUTSOURCING OF INTERNAL AUDIT ASSIGNMENT

1. Gujranwala Electric Power Company Limited (GEPCO) Seeks **Expression of Interest (EOI)** from Chartered Accountancy Firms fulfilling the following criteria, to carry out **Internal Audit Assignment** as per scope defined in the RFP of GEPCO under "**Single Stage - Two Envelope Method of Procurement**";
 - i. The bidding firm should be listed on the Panel of Auditors mentioned under the Section 35(1) of the Banking Companies Ordinance, 1962, annexed to "**Banking Policy and Regulation Department**" Circular No. 20 dated **November 05, 2018** and should have recent satisfactory QCR rating by ICAP.
 - ii. The Chartered Accountant Firm must be on **Active Taxpayers List** of the **Federal Board of Revenue** and the relevant Revenue Authority.
2. The **Request for Proposal (RFP)** containing the terms of reference, scope, evaluation criteria and other related information are available at the given address, which can be obtained from there. However, it can also be downloaded from GEPCO website (www.gepco.com.pk), free of cost. Further this advertisement and RFP are also available at the PPRA website (www.ppra.org.pk).
3. The bids prepared in accordance with the instructions contained in the RFP should reach at the given address, on or before **May 15, 2019 (Monday)** at **11:00 A.M** and the Technical bids will be opened publicly on the same day at **11:30 A.M**.
4. GEPCO reserves the right to accept or reject any or all the bids as per PPRA rules.

Chief Internal Auditor / **GEPCO Ltd. Gujranwala**

565-A Model Town, G.T Road, Gujranwala.

Landline: 055-9200537, Contact: 0333-0771017

Email: acagepco@gmail.com

Gujranwala Electric Power Company Limited



PID(L)0000

DMPR/Interflow-174(18)

DONATE FOR DIAMER BASHA AND MOHMAND DAMS

SAY NO TO DRUGS

GUJRANWALA ELECTRIC POWER COMPANY LIMITED



REQUEST FOR PROPOSAL (RFP)

CHIEF INTERNAL AUDITOR

GUJRANWALA ELECTRIC POWER COMPANY LIMITED

565-A, MODEL TOWN, G.T. Road, Gujranwala

Landline 055-9200537
Cell No. 0333-0771017

Email: acagepco@gmail.com

Through “Single Stage, Two Envelope” Procedure
Last date for Submission: May 15, 2019 upto 11.00 a.m.

To Be Opened On: May 15, 2019 at 11.30 a.m.

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1. ACRONYMS& DEFINITIONS

1.1 Acronyms

Used in the RFP	Description
BOD	Board of Directors
BPRD	Banking Policy and Regulation Department (State Bank of Pakistan)
GEPCO	Gujranwala Electric Power Company Limited
CEO	Chief Executive Officer
CIA	Chief Internal Auditor
CNIC	Computerized National Identity Card
ICAP	The Institute of Chartered Accountants of Pakistan
NTN	National Tax Number
QCR	Quality Control Review
RFP	Request for Proposal
SECP	Securities and Exchange Commission of Pakistan

1.2 Definitions

- i. “Agreement” means the Internal Audit Engagement Letter duly signed by the parties as per scope defined under this RFP.
- ii. “Audit” means the Internal Audit for the period beginning on 1st January 2018 to 30th June 2019 (one and a half year) and includes any other period as defined in the scope of this RFP.
- iii. “Bid” means an offer in response to this RFP by a Firm of Chartered Accountants in order to undertake the Internal Audit at a price.

- iv. “Bidder” means a Firm of Chartered Accountants submitting the Bid, that fulfills the initial screening / eligibility criteria as prescribed in this RFP by GEPCO.
- v. “Chartered Accountant “means a member of the ICAP.
- vi. “Clause” means a clause as serially numbered in the table of contents of this RFP.
- vii. “Contract” means an Agreement enforceable at law.
- viii. “Financial Proposal” means the fee quoted by the bidders in a format prescribed in this RFP.
- ix. “Firm “means a firm of Chartered Accountants opting to respond to this RFP.
- x. “Government” means the Federal / Provincial Government and all its associated departments, agencies, autonomous / semi-autonomous bodies, local governments, boards, universities and similar other organizations.
- xi. “Proposal” means the Technical Proposal and the Financial Proposal.
- xii. “Request for Proposal (RFP)” means a document prepared by GEPCO to solicit Proposals / Bids, through a bidding process, for hiring the services for Internal Audit
- xiii. “Single Stage – Two Envelope Procedure” means the procedure as prescribed in Public Procurement Rules, 2004.
- xiv. “Outsourcing of Internal Audit” means the engagement of a firm of Chartered Accountants for the Internal Audit of specific areas of GEPCO as per the scope of Internal Audit given at Clause 04 of this RFP.
- xv. “Technical Evaluation “means an appraisal of the Technical Proposals made as per the criteria prescribed in this RFP.
- xvi. “Technical Proposal” means the technical bid comprising of the information as detailed in Clause 2 of this RFP, in the prescribed format, duly signed / authenticated and submitted, in the manner as specified in this RFP.
- xvii. “Technically Responsive” bidder means the bidder securing 70 or more score, as per the technical evaluation criteria, envisaged in sub-clause 5.2 of this RFP.

2. INSTRUCTIONS TO THE BIDDING FIRMS

Following should accompany with the bidding documents

S. No.	Documents to be attached as part of the Technical Proposal / Bid	Documents must be Tagged as "PART"
1.	Brief Profile of the Firm	A
2.	Copy of latest satisfactory QCR Certificate from ICAP	B
3.	Copy of NTN	C
4.	Copy of registration with relevant revenue authority	D
5.	List of partners (Only Chartered Accountants) in the firm within Pakistan, with their ICAP registration number - in a format as prescribed in Annexure-I to this RFP	E
6.	List of Qualified Chartered Accountants employed (other than partners mentioned in Part-E above) in the Firm within Pakistan, with their ICAP registration numbers, in a format as prescribed in Annexure-II to this RFP.	F
7.	List of audit staff / trainees registered with ICAP in the Firm, with their ICAP registration number, in a format as prescribed in Annexure-III to this RFP.	G
8.		

	List of Government / Semi Govt. organizations; audited as Internal Auditor in the last 5 years, in a format as prescribed in, Annexure-IV to this RFP.	H
9.	List of power sector / utility companies audited as Internal Auditor in last 5 Years, in a format as prescribed in Annexure-V to this RFP.	I
10.	Copy of certificate of international affiliation.	J
11	Names and addresses of offices in Pakistan including key contact person in those offices	K
12.	Cellular contact numbers and email addresses of at least three contact persons for correspondence	L
13.	An undertaking with the GEPCO in which the completion of assignment will be ensured as per in a format as prescribed in Annexure-VI to this RFP.	M
14.	Undertaking for Technical Proposal submission as prescribed in Annexure-VII to this RFP	N

Note: PARTS from E to J above will be used for the Technical Evaluation, kindly submit these cautiously.

- a) All pages of the bidding documents will be authenticated by the partner or a duly authorized person.
- b) All pages of bidding documents 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 (to be enclosed with bidding documents), along with attested copy of his CNIC.
- c) Bid shall not be entertained if received after the time and date fixed for its receipt.

- d) A Bidder (including its personnel) 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.
- e) Firm must have experience of Internal Audit in Government / Semi Government Organization and utility organizations.

3. FORM OF BID AND THE BIDDING PROCESS

- a) Bids will be submitted on the basis of Single Stage – Two Envelope Procedure.
- b) The Bid shall comprise a single package containing two separate envelopes. These envelopes shall be separately marked as “**Technical Proposal**” and “**Financial Proposal**” in bold and legible letters.
- c) The envelope marked as “**Technical Proposal**” shall contain the complete technical bid, including all Parts and Annexures as prescribed in Clause 2 (Instructions to the Bidding Firms) of this RFP.
- d) The envelope marked as “**Financial Proposal**” shall contain only the financial bid as per the specimen prescribed as Annexure-VIII to this RFP.
- e) Both envelopes shall be inserted in one large envelope, clearly marked “This envelope contains two duly sealed envelopes containing TECHNICAL PROPOSAL and the FINANCIALPROPOSAL for providing Internal Audit Assignment”.
- f) The Bidder must quote his price as per the specimen prescribed as Annexure-VIII to this RFP. **The Internal Audit fee quoted should be inclusive of all kinds of taxes and out of pocket expenses** and must be quoted in figures as well as in words.

Please note that GEPCO will not provide any boarding, lodging and transportation whatsoever to the deputed audit team for the Internal Audit in the operational jurisdiction of GEPCO.

- g) At the first stage, only the envelope marked as “Technical Proposal” shall be opened publicly and the envelope marked as “Financial Proposal” shall be retained sealed.
- h) The date, time and venue of the opening of the Technical Proposal will be mentioned in the advertisement of the RFP.
- i) The Technical Proposals of all the Bidders in the prescribed format shall be evaluated by GEPCO. The Proposals which meet the technical eligibility criteria laid down in this document shall be accepted for the second stage.
- j) During Technical Evaluation, no amendments in the Technical Proposal shall be permitted.

- k) The Financial Proposals of technically responsive Bidders shall be opened publicly at a time, date and venue announced and communicated to the technically responsive Bidders in advance. The Financial Proposals of the rejected Bidders shall be returned un-opened.
- l) Results of the Technical Evaluation will be communicated to the Technically Responsive Bidders.
- m) Aggregate evaluation of the Proposals will be completed according to the evaluation criteria.
- n) The Bidder will also sign an undertaking with the GEPCO in which the completion of Internal Audit assignment will be ensured as per Annexure-VI to this RFP.
- o) 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.

4. SCOPE OF INTERNAL AUDIT ASSIGNMENT.

The scope of internal audit assignment for the period from 1st January 2018 to 30th June 2019, **except 4 (a) (vi) below**, shall comprise the following:-

- (a) The Internal Audit of the following functions carried out at GEPCO including the offices of:
 - i) **PD-GSC Office Gujranwala** including its two sub-offices i.e. TLC & T&G, both located at Gujranwala City;
 - ii) **PD-Construction Office, Gujranwala** including its four Divisions located at Sialkot, Gujrat, Gujranwala Cantt and Gujranwala City.
 - iii) **Manager GSO Office, Gujranwala** including its four Divisions of which three are located at Gujranwala and one at Gujrat.
 - iv) **Civil Works Division, Gujranwala**
 - v) **Regional Store, Shaheenabad, Gujranwala** including its Field stores located at Gujranwala, Sialkot, Narowal, Daska, Wazirabad, Hafizabad, Mandi Bahaud Din, and Gujrat.

- vi) **Finance Directorate, (Banking & Taxation Section) GEPCO Headquarter, Gujranwala** to the extent of reconciling of banks for the periods from July 2012 to June 2016.
- (b) The internal audit of the offices mentioned at (a) above shall include the performance of Internal Audit with a report thereon and a separate report on the effectiveness of internal control systems, the identification of weaknesses if any, emphasizing the compliance with laws, rules, regulations, directives and contractual obligations. The aforesaid reports shall be submitted as soon as possible but not later than December 31st 2019. Monthly progress report shall also be submitted to Chief Internal Auditor GEPCO within 15 days next following each month;
- (c) The performance of internal audit functions shall include the 100% verification of the transactions and allied record, physical verification of the related assets regarding the aforesaid transactions and shall include all tests of details of transactions to the satisfaction of Internal audit firm (successful bidder);
- (d) Before the commencement of internal audit, the successful bidder firm shall formulate its audit plan which shall be duly approved by the Chief Internal Auditor GEPCO;
- (e) The Internal Audit engagement partner and his senior staff of a successful bidding firm shall attend the meetings whenever required by the Chief Internal Auditor, GEPCO.

5. EVALUATION CRITERIA

The Bid evaluation score will be allocated based only on the evidence available in the Bid / Technical and Financial Proposals. Outsourcing of Internal Audit Assignment will be awarded after due process, to the Firm with the highest total aggregate score based on the following weightages:

- 40% for Technical score
- 60% for Financial score

5.1 Initial Screening/Eligibility Criteria

- a) The bidding firm should be listed on the Panel of Auditors as per Annexure to the BPRD Circular Letter No 20 dated November 05, 2018 issued by State Bank of Pakistan and should have recent satisfactory QCR rating by ICAP.
- b) Incomplete or “Bids not in order of Table given in Clause-2 of this RFP” will be summarily rejected.
- c) Affiliation with any international accounting / auditing firm.

5.2 Technical Evaluation

S. No.	Particulars	Total Marks	Marks
1	No. of partners (Only Chartered Accountants) in the firm within Pakistan, in accordance with format as prescribed in Annexure-I to this RFP, tagged as Part E of Technical Proposal.	15	Marks obtained = 15* (No. of partners in the Firm under consideration / Highest No. of partners amongst the participating Bidders.
2	No. of Qualified Chartered Accountants employed (other than partners as mentioned in Part-E of Technical Proposal) in the Firm within Pakistan, in accordance with format as prescribed in Annexure-II to this RFP, tagged as Part F of Technical Proposal.	20	Marks obtained = 20* (No. of Chartered Accountants in the Firm under consideration / Highest No. of Chartered Accountants amongst the participating Bidders.
3	No of Audit Staff / trainees registered with ICAP within Pakistan as per Clause 2 of this RFP, in a format as prescribed in Annexure-III to this RFP, tagged as Part G of Technical Proposal.	10	Marks obtained = 10* (No. of audit trainees in the Firm under consideration / Highest No. of Audit Trainees amongst the participating Bidders.
4	Experience of Govt. / Semi Govt. Organizations' Internal Audit in the last 5 years as per Clause 2 of this RFP, in a format as prescribed in Annexure-V to this RFP, this RFP, tagged as Part H of Technical Proposal.	20	Marks obtained = 20* (No. of Government / Semi Govt. Organizations audited by the firm under consideration / Highest No. of Govt. / Semi Govt. Organizations Audited amongst the participating Bidders.
5	Experience of Power Sector / Utility Companies Internal Audit in last 5 Years, in a format as prescribed in Annexure-IV to this RFP, tagged as Part I of Technical Proposal.	20	Marks obtained = 20* (No. of Power Sector or Utility Companies' Internal Audited by the firm under consideration / Highest No. of Power sector or Utility Companies Audited amongst the participating Bidders.
6	Affiliation with any International Accounting / Auditing Firm as per Clause 2 of this RFP, tagged as Part- J of Technical Proposal.	10	Yes = 10 Marks No = 0 Marks

7	Office in Gujranwala, as per Clause 2 of this RFP, tagged as Part- K of Technical Proposal.	05	Yes = 05 Marks No = 0 Marks
Total		100	

Note: Marks will be awarded if and only if, the information is submitted in a format as prescribed in this RFP.

5.3 Financial Evaluation

- a) Financial Proposals of only technically qualified Firms will be opened.
- b) The formula for determining the Financial Score is given below:

$$\text{Financial score} = 40\% \times \frac{\text{Lowest fee quoted by the technically responsive participating Bidders}}{\text{Fee quoted by the Bidder under consideration}}$$

- c) The Firm getting maximum score on 60-40 weightage (60% for technical and 40% for financial) will be recommended to the BOD, GEPCO for the Internal Audit Assignment in GEPCO.

6. TYPE OF CONTRACT

GEPCO will enter into a lump sum Contract with the successful Bidder, if engaged as Internal Auditor to conduct the Internal Audit Assignment if recommended by the AFC and approved by the BOD GEPCO.

7. PAYMENT

GEPCO will pay a valid invoice in full within thirty (30) days from the date of provision of the Internal Audit Report with allied reports as mentioned in Clause 4 (b) above by the Internal Auditor.

8. Annexure-I

**LIST OF PARTNERS (ONLY CHARTERED ACCOUNTANTS) IN
THE FIRM WITHIN PAKISTAN**

Sr. No.	Name	ICAP Membership Number	Office

Authorized Signature:

Name and Title of Signatory:

9. Annexure-II

LIST OF CHARTERED ACCOUNTANTS EMPLOYED (OTHER THAN PARTNERS)

Sr. No.	Name	ICAP Membership Number	Designation	Office

Authorized Signature:

Name and Title of Signatory:

10. Annexure-III

AUDIT STAFF / TRAINEES REGISTERED WITH ICAP IN THE FIRM WITHIN PAKISTAN

Sr. No.	Name	ICAP Registration Number	Designation	Office

Authorized Signature:

Name and Title of Signatory:

11. Annexure-IV

GOVT./ SEMI GOVT. INTERNAL AUDITS
(DURING LAST FIVE YEARS)

Sr. No.	Name of Organization	Internal Audit Performance Year	Particulars of Assignment	Principal Accounting Office

Authorized Signature:

Name and Title of Signatory:

12. Annexure-V

POWER SECTOR / UTILITY COMPANIES INTERNAL AUDITS
(DURING LAST 5 YEARS)

Sr. No.	Name of Organization	Internal Audit Performance Year	Particulars of Assignment	Principal Accounting Office

Authorized Signature:

Name and Title of Signatory:

13. Annexures-VI

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 May 15, 2019 for provision of Internal Audit services as per scope of the assignment given at Clause-4 of this RFP;I

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 the services of Internal Auditors as laid down in the RFP.

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. _____

14. Annexure-VII

TECHNICAL PROPOSAL SUBMISSION COVER LETTER

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

Subject: **PROVISION OF INTERNAL AUDIT SERVICES**

Dear Sir,

We, the undersigned, offer to provide the Internal 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 envelope.

We hereby declare that all the information and statements made in this Proposal is true and also accept that any mis-statement 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:

15. Annexure-VIII

FINANCIAL BID PROFORMA

S.No	Particulars	Audit Fee inclusive of all out of pocket expenses.
1	Internal Audit as per scope defined at Clause 04	

TOTAL (in words)

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

(GEPCO shall provide reasonable boarding and lodging to get the deputed audit team for the Internal Audit at GEPCO's discretion, within its operational jurisdiction.)

Signature of the Bidder with seal

Address: _____

16.