

**SJVN Lower Arun Power Development Company Pvt. Ltd.**

(A Subsidiary of SJVN Ltd. Registered in Nepal)



**EOI DOCUMENT**

**EXPRESSION OF INTEREST  
FOR APPOINTMENT /ENGAGEMENT OF  
STATUTORY AUDITOR**

**FOR THE FINANCIAL YEAR 2081-82  
(EOI- 01/2024)**

**Regd. office:** SAPDC Office Complex, Ward No 9, Tumlingtar, Khandbari Municipality, Sankhuwasabha, Nepal

Telephone : (+977-1) 6632030, [www.slpdc.com.np](http://www.slpdc.com.np), Email: [pnc.lahep@sjvn.nic.in](mailto:pnc.lahep@sjvn.nic.in)

**Regd No: 111808/69/070**

**SJVN LOWER ARUN POWER DEVELOPMENT COMPANY Pvt. Ltd.**

**(A Subsidiary of SJVN Ltd. Registered in Nepal)**

**(669 MW Hydro Electric Power Project)**

**EXPRESSION OF INTEREST (EOI) FOR APPOINTMENT/ ENGAGEMENT OF CHARTERED ACCOUNTANT FOR CONDUCTING AUDIT FOR THE FINANCIAL YEAR 2081-82(2024-25).**

**1.0 Introduction:**

SJVN LOWER ARUN Power Development Company Pvt. Ltd. (“SLPDC” or “Company”) was incorporated as private limited company under the Company Act 2063 on 26<sup>th</sup> May 2023 which is duly floated by single shareholder company SJVN Limited (a joint venture of Government of India and Government of Himachal Pradesh) with an aim to plan, promote, organize and execute Lower Arun Hydroelectric Project (669 MW) on BOOT basis, to be operated for 25 years after construction and thereafter transfer back to Government of Nepal. The registered address of the Company is Arun Sadan, SAPDC Office Complex, Ward No-9, Khadbari Municipality, Distt-Sankhuwasabha, Koshi Pradesh, Nepal.

The Company is developing the Lower Arun Hydroelectric Project with capacity of 669 MW (“the Project”) identified in Arun Khola by utilizing the water of Arun-3 project tandem operation in khandbari municipality of Sankhuwasabha district to generate, transmit and sell electricity.

The Project was techno-economically appraised by CEA, Gol on 31st Oct 2022. On 01st June 2023, the Company entered into Project Development Agreement (PDA) with GON represented by the Investment Board of the Government of Nepal with defined terms and condition to execute the project activities for the development of 669 MW Lower Arun Hydro Power Project. As per PDA, it is scheduled to be completed in 5 years reckoned from financial closure. Financial Closure of the project is yet to be achieved.

Government of India has accorded investment approval for generation component of the project at an estimated cost of INR 5792.36 Crores. Investment Board of Nepal (IBN) vide its letter no. 818 dated 2080/01/07. The generation and transmission license required for the project are yet to be issued.

The company is in the process of acquisition of Land and award of major works which is expected to be completed by the end of Nov-2024.

SJVN Lower Arun-3 Power Development Co. Pvt. Ltd (SLPDC) invites Expression of Interest for appointment of Chartered Accountant for Audit. The selection of the auditor shall be based on overall suitability of the firm and its experience in Internal Audit/Statutory Audit of large Public and Private Limited Companies Preferably Power Sector Companies/listed company.

Interested firms can download the Bid Document from websites [www.slpdc.com.np](http://www.slpdc.com.np) /[www.sapdc.com.np](http://www.sapdc.com.np)/ [www.sjvn.nic.in](http://www.sjvn.nic.in) . Amendments/Corrigendum /Notification (if any) shall be issued only on above mentioned websites.

Bidder may please note for proper submission of the bid, the bidder is responsible and they are expected to apprise themselves adequately for the procedure and provisions available in

EOI. In no case Employer/SLPDC shall be responsible for any issues related to timely or properly submission of the bid.

**Important Note:** - For the purpose of this EOI 'Firm' means a Firm of Chartered Accountants including proprietor registered with ICAN.

**2.0 The key particulars/details and dates of this invitation are as under :**

Sr. No.	Description	Particulars
1	Cost of Tender Document(Non-Refundable)	NPR 500/- in the form of Bank draft (in original)/Manager's cheque (in original) in the name of <b>"SJVN Lower Arun Power Development Company Pvt. Ltd."</b> payable at Khandbari, Nepal. Or, Alternatively, Payment against Tender document cost (TDC) may also be made directly in the account of SLPDC as below. However, proof of same shall be submitted by the Firm/agency with the Proposal: NPR Account Details: Everest Bank Limited, Nepal Name of Beneficiary: <b>"SJVN LOWER ARUN POWER DEVELOPMENT CO. PVT LTD"</b> Account No.:00100105202617 Bidders are advised and shall be responsible to ensure the receipt of net amount (excluding bank transfer charges) in above account in case of Indian bidder before last date of submission of bids. <b>However, if Bidder/Firm opt for submission of TDC directly in the bank account of SAPDC, then the documentary evidence/ proof of same (swift statement/ transfer statement/ account statement) has to be submitted along with bid.</b>
2	EMD/ Bid Security	Bid Security Declaration as per format enclosed.
3	Deadline for submission of documents	Up to 19.11.2024 (1530 Hrs.)
4	Date & time for Bid opening	19.11.2024 (1600 Hrs.)
5	Venue for opening of bid	O/o Chief Engineer (P&C), SAPDC, Satluj Bhawan, Arun Sadan, Tumlingtar, Distt. Sankhuwasabha, Nepal
6	Period of bid validity	<b>120 days</b>

**\*Any bid not accompanied by an acceptable Cost of Tender Document and/or EMD (Bid Security Declaration) shall be declared non-responsive and out rightly rejected by the Employer.**

### **3.0 Scope of Work:**

SLPDC is looking for engagement of eligible Chartered Accountant firm for carrying out the following job:-

1. To audit the books of accounts and related records and certify the Balance Sheet, Profit & Loss Account Statement, Statement of Change in Equity & Cash flow statement & other statements as per requirement of Companies Act of Nepal.
2. To submit report addressed to shareholder/appointing authority, the audit report shall be prepared in accordance with the prevailing laws or in accordance with the audit standard prescribed by the competent body & such report shall state the matters to be set out under the act, as per necessity.
3. Audit assignment initially shall be for one year which can be further extended for another two year on mutually agreed fees, terms and conditions.

#### **A. Audit team:**

Auditors should deploy suitable teams for undertaking the audit, after a thorough perusal of requirements of appointment letter, terms and conditions contained therein and the Detailed Guidelines for Statutory Audit, ensuring that the size of the audit team is commensurate with the size of auditee unit and the volume of work. The authorized executive will coordinate with the Audit team for smooth functioning of the audit.

It should be ensured that the audit team is headed every time by a Chartered Accountant / (who may be a partner) and consist of adequate number of qualified/semi qualified audit assistants of the firm.

#### **B. Audit Fee:**

The schedule of fee will be as under:

- i. The schedule of fee for F.Y. is NPR 1,00,000/- plus VAT
- ii. The audit fees will be payable on completion of the Audit & submission of audit report for the F.Y. 2081-82 to the appointing authority and shall be payable within 30 days on submission of the bills.
- iii. The travelling and out of pocket expenses will be paid subject to production of documentary evidence. The entitlement for the purpose of payment of TA/DA shall be as per SLPDC rule (**Annexure-V**) which shall also be indicated in detail in the appointment letter.
- iv. VAT shall be paid extra as applicable on furnishing copy of the registration certificate.

- v. Tax Deduction at Source (TDS) will be made as applicable.

**C. Other Terms and Conditions:**

The appointment of Statutory Auditors is subject to the following declarations:

- i. The Audit firm must not sub contract the -work. In case it is subsequently found at any stage of the appointment process / post appointment that outsourcing has been resorted to, the appointment will be liable for cancellation with immediate effect.
- ii. The designated team will work in strict confidence and will ensure that the information in respect of the operation of the area/ unit is dealt in strict confidence and secrecy. A certificate towards maintaining confidentiality to be provided by the Statutory Auditor before commencement of audit.
- iii. No partner of the Auditors is related to Chairman & Directors of the company.
- iv. Neither the firm nor its partner or associates have any interest in the business of the company.
- v. The auditor will be required to issue certificate of Independence before commencement of audit.
- vi. The auditor / audit Firm must not be holding any assignment as Internal Auditor of the Company.
- vii. The partners holding certificate of Practice issued by the Institute of Chartered Accountant of Nepal are in whole time practice.
- viii. The Statutory Auditor shall ensure that data given to the Auditor by company and any information generated from the data provided shall not be used by the Auditor for any other purpose.
- ix. The Auditor / Audit Firm will be debarred from getting the Statutory Audit in future in SLPDC in the following cases:
  - a. If the firm obtains the appointment on the basis of false information/ false statement.
  - b. If the firm does not take up audit in terms of appointment letter.
  - c. If the firm does not submit the audit report, complete in all respect in terms of appointment letter.
  - d. Conditions as per provisions of Companies Act, Nepal.
  - e. If the Firm violets any of the stipulations from (i) to (ix).
- x. Jurisdiction of courts: The law of land as promulgated / modified /amended or replaces from time to time shall govern this EOI.

Any dispute arising out of or in respect of the contract will be subject to the

jurisdiction of District Court of Chainpur Only.

- xi. Disclaimer: SLPDC reserves the right to accept or reject any or all responses and to request additional submissions or clarifications from one or more Applicant(s) at any stage or to cancel the process entirely without assigning any reason.

#### **4.0 Selection Criteria/Evaluation:-**

##### **Minimum qualification Criteria:**

- i. The firms should have registration at least 10 year on last day of submission of bid.
- ii. The average annual turnover of the firm during the last three financial years must be at least Rs. 20 Lakh.
- iii. The firm must be registered under the PAN/VAT with Inland Revenue Department.
- iv. In case of Tie, oldest registered firm will be considered for appointment.

The selection of the Statutory Auditor shall be as per qualitative criteria indicated in **Annexure- II** which is based on the overall suitability of the firm and its experience in the statutory audit of Power sector companies. The firm securing maximum marks will be selected. In case of tie of marks, the selection of firm shall be based on the seniority of firms depending on their registration with ICAN. In case of further tie- up having maximum average turnover for last three financial years will be considered.

In case firm securing maximum marks is already engaged in the audit assignment of SAPDC/SLPDC, the award shall be made in favor of firm security second highest numbers and so on.

#### **5.0 EMD**

The Bidder shall furnish, as part of the Bid, EMD in the form of Bid Security declaration (**Annexure-III**) on Letter head of the firm. Declaration of Bid Security in original shall be submitted along with bid. Any bid not accompanied by an acceptable Earnest Money Deposit shall be declared by the Employer as non-responsive. The Earnest Money may be forfeited (Forfeited/Forfeiture/Forfeiting of Bid Security mentioned anywhere in the Bid document shall mean 'the bidder will be suspended for participation in the tendering process for works of SLPDC for a period of one year from the date of issue of notice of such suspension by the Employer):

- a) if the Bidder withdraws the Bid or varies any terms & conditions in regard thereto after bid opening (technical bid) during the period of Bid validity; Or
- b) if the Bidder adopts corrupt or fraudulent practices.

#### **6.0 Jurisdiction of courts:**

The law of land as promulgated / modified /amended or replaced from time to time shall govern this EOI. Any dispute arising out of or in respect of the contract will be subject to the jurisdiction of District Court of Chainpur Only.

#### **7.0 Disclaimer:**

SLPDC reserves the right to accept or reject any or all responses and to request additional submissions or clarifications from one or more Applicant(s) at any stage or to cancel the process entirely without assigning any reason. Only one audit will be awarded to the firm at a time in SLPDC.

## **8.0 General Instruction to Audit Firms**

1. Format for Application (**Annexure-I**) must be filled in. Incomplete applications will be rejected out-rightly.
2. Please ensure that date of registration of Registered Office / Branch Office(s), date of joining of partners/qualified/semi-qualified assistants into the firm should be invariably indicated in the application.
3. All EOI will be evaluated on the basis of the documents furnished along with application only. No further documents will be called during the scrutiny of EOIs. Any additional documents received, after last date & time of receiving of EOI as stipulated in the notice inviting EOIs, will not be entertained.
4. Since, all the applications will be evaluated strictly on the basis of Selection Criteria as per “**Annexure –II**”, please avoid attaching unsolicited information / documents to processing applications expeditiously.
5. All documents submitted should be signed by a partner with his name and under the seal of the firm.
6. Any application received after the stipulated date due to any reason whatsoever, will be rejected out–rightly.

## **9.0 List of documents to be submitted along with the Applications / EOIs**

Interested audit firm are advised to go through contents of EOI documents carefully and submit all attested copies of the following documents as described hereinafter in proper sequence along with the EOIs in physical mode:

- 1) Registration certificate of the firm issued by the Institute of Chartered Accountant of Nepal. Information related to year of establishment of Head Office & Branch Office(s), addresses, details of partners and their membership nos. as indicated in the Certificate will be treated as conclusive and final information for evaluation of EOIs.
- 2) Membership certificate of the Partners / Qualified Assistants issued by the Institute of Chartered Accountants of Nepal/India.
- 3) Certificate/Mark sheets issued by the ICAN/ICAI in evidence of qualification of Semi-Qualified Assistants.
- 4) Copies of the appointment letters from the auditee organizations for statutory audit in Power Sector companies in evidence of experience.
- 5) Copies of the appointment letters from the auditee organizations for statutory audit in other than Power Sector companies in evidence of experience.
- 6) The firm must submit a copy of audited balance sheet and P&L Account for the last three financial years i.e. FY 2079-80, 2078-79 and 2077-78 or Tax clearance Certificate for the same years.

- 7) Copy of PAN/VAT Registration.
- 8) A cancelled cheque of the Bank to which Fee payments will be made.
- 9) Undertaking regarding Eligibility (Annexure-IV).
- 10) Format for Application (**Annexure-I**)
- 11) A copy of complete EOI documents duly signed by the partner/owner of the firm along with seal of the firm as a token of acceptance of all terms and conditions so as to reach at below mentioned office latest by date prescribed in para 2.0 above.

O/o Chief Engineer (P&C), SAPDC office, Tumlingtar, Khandbari Municipality, Distt Shankuwasabha, Nepal.

### **10.0 Performance**

In case of failure of selected party to conduct the assignment as per scope of work, the firm at sr. no. 2 on points table shall be assigned the work.

### **11.0 Amendments**

At any time before the submission of Bids, SAPDC may modify/ amend the EOI document and extend the last date of submission/opening of proposals and any other key dates by issuing a corrigendum/addendum and such corrigendum/addendum shall be available only on following websites:

- A. [www.sjvn.nic.in](http://www.sjvn.nic.in)
- B. [www.slpdc.com.np](http://www.slpdc.com.np)
- C. [www.sapdc.com.np](http://www.sapdc.com.np)

As such the Bidders are advised to visit the above websites regularly before deadline for submission of Bid. Any Corrigendum /Addendum thus issued shall form part of tender document. To give prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the Employer shall extend, as necessary, the deadline for submission of proposals.

**12.0** For any enquiry/clarification for submission of bid and any other information, the Bidders may contact to:-

<b>Designation</b>	<b>Address</b>	<b>Phone No.</b>
Chief Engineer (P&C)	SAPDC, Arun-3 HEP, Satluj Bhawan, Arun Sadan, Tumlingtar, Distt. Sankhuwasabha, Nepal. E-mail: : <a href="mailto:pnc.lahep@sjvn.nic.in">pnc.lahep@sjvn.nic.in</a>	+977-

**13.0** All correspondence with regard to the above shall be made at the address indicated above.

**For & on the behalf of SLPDC**  
Sd/-  
**Chief Engineer (P&C-SLPDC),**  
**SLPDC, Arun HEP,**  
**Satluj Bhawan, Arun Sadan, Tumlingtar,**  
**Distt. Sankhuwasabha, Nepal**  
E-mail: [pnc.slpdc@sjvn.nic.in](mailto:pnc.slpdc@sjvn.nic.in)



**Format of Application**

1.	Name of the Firm	-		
2.	Registration No. of firm: - (Institute of Chartered Accountant of Nepal)			Respective page no of the document.
3.	Date of Registration of the firm			Page No

**Details of Head Office & Branch Office(s): Head Office: -**

Address	Date of Establishment	Contact No(s)/Fax	E-mail	Page No

**Branch**

**Office 1: -**

Address	Date of Establishment	Contact No(s)/Fax	E-mail	Page No

(Insert further Branch Office(s), if any)

**Details of Partners in the Firm: -**

SI. No	Name of the Partner	Membership No.	Membership Status ACA/FCA	Date of joining of the firm as partner	Respective page no of the document.

**Details of Qualified Assistants :-**

**Separate for ICAI and ICAN**

SI. No	Name of the Qualified Assistants	Membership No.	Membership Status ACA/FCA	Date of joining of the firm as Qualified Assistant	Respective page no of the document.

**Details of Semi-Qualified Assistants: -**

**Separate for ICAI and ICAN**

SI. No	Name of the Semi-Qualified Assistant	C.A Intermediate	Date of Joining the firm as Semi-qualified Assistant	Page No

Details of Experience in Audit of large Public and Private Limited Companies: -

Sl. No	Name of the Company/Unit	Year of Audit	Type of Audit – whether Statutory/Internal Audit	Page No

Details of Experience in Power Sector Companies/Listed Companies: -

Sl. No	Name of the Company/Unit	Year of Audit	Type of Audit – whether Statutory/Internal Audit	Page No

10.	PAN No. of the firm:-		Page No
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11.	VAT Registration No :-		Page No
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12. Bank details for NEFT:-

i.	Bank Name	
ii.	Branch Name, Address & Pin Code	
iii.	Type of account (saving or current account)	
iv.	IFSC Code No.	

14. Whether the audit of SLPDC has been conducted earlier. If yes, the financial years for which the Audit has been conducted shall be given.

**Declaration:-**

I/We, \_\_\_\_\_ Partner/owner of the Firm \_\_\_\_\_, hereby declare that the above information furnished is true & correct to the best of my knowledge and I will abide by the Terms & Conditions set by the company for the Appointment / Empanelment as Internal Auditors

**Signature of Partner**

**Name & Seal of the Audit Firm**

Annexure - II

**SELECTION CRITERIA (MARK ALLOCATION) FOR SELECTION OF STATUTORY AUDITORS WILL BE AS FOLLOWS**

<b>Sr. No</b>	<b>Particulars</b>	<b>Points to be allocated</b>	<b>Max. Points</b>
1	Year of Establishment of the Audit Firm / Limited Partnership Firms (Minimum 10 years)	For 10 years' experience = 5 Marks 1 (one) marks each for additional per year experience beyond 10 Years (more than 6 months shall be considered as one year)	10 (Ten)
2	No. of Partners in the Firms / Limited Liability Partnership Firm who are associated with the firm. (in case of Partnership firm)	a. 3 (Three point) marks for each ACA Partner. b. 5 (Five point) marks for each FCA Partner.	12 (Twelve)
3	No. of Qualified Assistants (Chartered Accountant) employed with the firm	2 (Two) Points per Qualified Assistant (CA).	12 (Twelve)
4	No. of Semi-qualified Assistants (intermediate employed with the firm).	1 (One) Point per Semi-qualified Assistant.	6 (Six)
5	Turnover of the firm (Average annual in the last three years) At least NPR 20 Lakh.	NPR 20-50 Lakh = 5 Marks Between NPR 50-100 Lakh = 8 Marks More than 100 Lakh = 10 Marks	10 (Ten)
6	Experience of Statutory Audit assignment of Power Sector Companies having capacity.	5 (Five) Points per assignment per year (fraction to be ignored) for project capacity upto 100 MW. 10 (Ten) Points per assignment per year (fraction to be ignored) for project more than 100 MW.	25 (Twenty-five)
7	Experience of Statutory Audit assignment of other than Power Sector companies having turn-over	5 (Five) Points per assignment per year (fraction to be ignored) for more than NPR 100 crores to NPR 200 crores. 10 (Ten) Points per assignment per year (fraction to be ignored) turn over more than 200 crores.	25 (Twenty-five)
		<b>Total Points</b>	<b>100</b>

**#Minimum qualification Criteria:**

1. The firms should have registration at least 10 year on last day of submission of bid.
2. The average annual turnover of the firm during the last three financial years must be at least Rs. 20 Lakh.
3. The firm must be registered under the PAN/VAT with Inland Revenue Department.

**Bid Security Declaration**

**(To be executed on Letterhead of the Bidder)**

**Tender No:**

**Date**

**To**

**CE/HoD (P&C Deptt.)**

**SLPDC, Tumlingtar**

I hereby submit a declaration that the bid submitted by the undersigned, on behalf of the bidder, *[Name of the bidder]*, shall not be withdrawn or varied during the period of bid validity as stipulated in Bid document.

I, on behalf of bidder, *[Name of the bidder]*, also accept the fact that in case the bid is withdrawn or varied any term & condition in regard hereto during the period of bid validity, or in the case of a successful bidder, if we fail within the specified time limit to sign the Agreement or we fail to furnish the required performance security as provided in Bid Document or if we adopt the corrupt or coercive or fraudulent practices, then *[Name of the Bidder]* will be suspended for participation in the tendering process for the works of SLPDC and works under other centrally sponsored schemes, for a period of one year from the date of issue of notice of such suspension by the Employer.

Date:

(Signature of Authorised Signatory)

Place:

(Name).....

(Designation)

.....

(Common Seal).....

- \* *Bid Security declaration should be on the letterhead of the Bidder and should be signed by a person competent and having the Power of Attorney to bind the Bidder. Power of Attorney in favour of this person to do so may be enclosed with the bid.*

FORM OF DECLARATION OF ELIGIBILITY UNDERTAKING

**(To be executed on Letterhead of the Bidder)**

I / We, M/s .....(Name of Bidder) hereby certify that I / we have not been banned /de-listed/ black listed / debarred from business by Government of Nepal or any of its Government Department on grounds of corrupt/fraudulent practices and/or due to non-performance and/or by Ministry of Power, Government of India/SJVN/SAPDC/SLPDC on any grounds during last 03 (three) years.

**(Seal & signature of the Bidder)**

***Annexure 'V'***

<b>Sr. No.</b>	<b>Description</b>	<b>Entitlement of E-7</b>	<b>Entitlement of E-2</b>
<b>ACCOMMODATION</b>			
1.	Principal Cities (Kathmandu)	NPR 10720	NPR 6000
2.	Other Principal Cities	NPR 8400	NPR 4720
3.	Ordinary Cities	NPR 6720	NPR 3760
<b>DAILY ALLOWANCE</b>			
1.	Principal Cities	NPR 1728	NPR 1152
2.	Ordinary Cities	NPR 1728	NPR 1152
<b>COMPOSITE DAILY ALLOWANCE</b>			
1.	Principal Cities	NPR 2160	NPR 1440
2.	Ordinary Cities	NPR 2160	NPR 1440
<b>JOURNEY ENTITLEMENT</b>			
---	-----	By air (economy class) or by AC-1 class by rail and where stations are not connected by air/rail, actual taxi fare.	By air (economy class) between Kathmandu and Tumlingtar or by AC-2 class by rail and where stations are not connected by air/rail, single seat in taxi limited to NPR 16/km or actual bus fare.
<b>CONVEYANCE CHARGES</b>			
---	-----	Actual taxi fare/NPR 19.20/km in case of travel by own car (subject to a max. of NPR. 5600/- for a continuous halt not exceeding 7 days. For halt exceeding 7 days, amount will be proportionately increased.	Actual charges by taxi @ 16 per KM (subject to a max. of NPR. 5600/- for a continuous halt not exceeding 7 days. For halt exceeding 7 days, amount will be proportionately increased.

**Notes:**

1. Composite daily allowance will be admissible where lodging arrangements are made by the auditor on his own.
2. TA/DA claim with full details shall be submitted to the OIC at SLPDC office.
3. Certificate from the concerned project finance, indicating the i) details of man days spent individually along with designation, ii) details of boarding and lodging provided.
4. If both lodging and boarding facilities are provided by the Company free of cost, DA admissible will be 25% of ordinary DA and ordinary DA will be admissible while in journey.
5. Claim for re-imbursment of journey fare must be supported with adequate proof of the amount spent.
6. Bills for professional fees will be submitted in duplicate for payment at SLPDC office, Tumlingtar.
7. The above is not part of evaluation and shall be paid to selected party as per actual cost incurred during performance subject to entitlements indicated above.

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