

Punjab Power Development Board

Hiring of Accounting and Financial Management Consultant for formulation of PPDB Financial Regulations

Terms of Reference

Assignment: Hiring of an Accounting & Financial Management Consultant for formulation of PPDB Financial Regulations for better financial management and optimal utilization of available funds.

Type of Consultancy:	Individual
Type of Contract:	Lump Sum
Procurement Methodology:	Short-Term Individual Consultant as Per Rule 46 of PPRA Rules, 2014
Duration of contract:	2 to 2.5 Months
Duty Station:	Lahore, Pakistan
Estimated Cost of Procurement:	Rs.1.8 million

About PPDB

Punjab Power Development Board (PPDB) is an autonomous body and has been playing an important role since 1995, in exploring and implementing power generation projects in the private sector. Utilization of indigenous resources is given priority and efficient use of imported fuels, when essential, has also been explored. Primary role of PPDB is to provide “One Window Facility” to the private sector investors for setting up power projects in Punjab. PPDB also provides support to Government of the Punjab and other affiliated organizations in Punjab in matters of power policy and plans. PPDB is the front desk of Government of the Punjab for liaison with other power sector entities in Pakistan including NEPRA, NTDC, PPIB, AEDB, DISCOs and other provincial Governments.

PPDB is working in a bonafide manner for the development and implementation of the power projects under the approved terms and conditions, as laid down in the Punjab Power Generation Policy, 2009. PPDB is governed by Punjab Power Development Board Act, 2011.

Background to the Assignment:

Currently, PPDB manages its operating expenses through Government of the Punjab (GoPb) designated ASSAN Assignment Account (AAA) through National Bank of Pakistan. The funds are sanctioned by GoPb Finance Department through Schedule of New Expenditure (SNE) via non-development lapsable grant. However, The PPDB Act 2011 allows creation of a non-lapsable Punjab Power Development Fund Account. Accordingly, the Board advised the management for a transition towards financial autonomy which implied transfer of funds accumulated through various own sources in a Commercial Account of PPDB. Approval was

sought from CM Punjab through a Summary by the Energy Department and approval was granted on August 28, 2014. Finally, Finance Department (FD) vide its letter dated February 17, 2022, permitted PPDB to open a commercial account in BOP, Civil Secretariat titled **Punjab Power Development Fund (PPDF)** in terms of Rule-9(1) of the Punjab Treasury Rules read with Rule 2.2 of Punjab Subsidiary Treasury Rules. Since the opening of the Commercial Account, PPDB has been depositing its inflows generated from its own sources through applicable fees and other charges in the said Account. However, no withdrawal has been made since the payments are made only from the Assignment Account as per the approved Budget Heads. It is pertinent to mention here that the Board approves the Budget which is subjected to further haircut by FD and the Management has to manage within the funds released by FD in the Assignment Account. Now, the Management intends to meet its '**Budget Shortfalls**' and other essential expense through the said Commercial Account. As per Clause-12(3) of The PPDB Act, 2011, the Fund (Commercial Account) shall be kept in one or more accounts maintained by the Board, in local or foreign currency in a scheduled bank and shall be operated in accordance with the directions of the Board. In this regard Management intends to prepare PPDB Financial Regulations "PFR" for approval of PPDB Board with an aim to optimally utilize available financial resource in AAA and PPDF. In this regard, PPDB seeks to address all the related accounting and finance related issues for better financial management and optimal funds utilization.

Objectives of the Assignment

- i. Gradual transition towards self-sustainability through utilization of self-generated funds maintained in a commercial account in alignment with the PFR.
- ii. Informed decision making with respect to effective and efficient utilization of resources through a robust Accounting and Financial Management & Reporting System.

Scope of the Assignment

Scope of the assignment comprise the following;

- i. **Review and Document Current Accounting Practices & Procedures:** The existing accounting practices and procedures being followed by PPDB need to be reviewed, assessed and documented to conduct a gap analysis. In this regard, following activities may be carried out to evaluate current accounting and finance system;
 - a. Review the current Chart of Accounts in order to determine whether it meets the accounting and financial reporting requirements of PPDB.
 - b. Review existing sources of funding (AAA and own sources) and propose respective use of available funding sources to meet PPDB's financial needs.
- ii. **Preparation of PPDB Financial Regulations (PFR),** under Clause 18 (1) of The PPDB Act 2011, for optimal utilization available financial resource in AAA and PPDF. The PFR shall also include operating procedures for the commercial bank account, financial authority matrix, procedure for preparation / approval of budget, using best financial practices / standards

- iii. **Present the draft PFR before PPDB Audit & Finance Committee and PPDB Board for approval**

Expected Deliverables / Timelines / Payment Plan

Following are the expected deliverables along with respective timelines and payment plan:

Sr. No.	Task/ Deliverables	Time Frame (Days)	Payment (%)
1	Review and Document Current Accounting Practices & Procedures	30	25%
2	Submission of draft PPDB Financial Regulations (PFR)	20	50%
3	Approval of PFR by the PPDB Board Audit and Finance Committee	10	10%
4	Approval of PFR by PPDB Board	15	15%
	Total	75	100%

Consultant Eligibility Requirements

Following are eligibility requirements for procurement of services of Accounting & Financial Management Consultant:

- **Education:** FCA, FCMA, CFA or Master's degree in Finance / Accounting
- **Experience:** 15 years of proven experience in financial management, planning, analysis and modeling with minimum 05 years of public sector experience with respect to corporate governance and financial management of Public Sector Entities (PSEs).
- **Registration** with Tax authorities.
- **Soft Skills:** Strong analytical and communication skills.

Consultant Shortlisting Requirements

Sr. No.	Shortlisting Criteria	Scores
1.	Education: FCA, FCMA, CFA or Master's degree in Finance / Accounting	25

2.	Relevant Experience: a) 15 years of proven experience in financial management, planning, analysis and modeling	15
	b) minimum 05 years of public sector experience with respect to corporate governance and financial management of Public Sector Entities (PSEs).	10