

EXPRESSION OF INTEREST (EOI)

Title of Consulting Service: licence-01-2076/77

Method of Consulting Service: National

Project Name : verification of regulatory data with financial statements of telecom service operators with separate identification of all elements of revenue, cost, assets and liabilities related to the various activities of operator,so as to ensure transparency of accounting system for the year 2075/76.

EOI : licence-01-2076/77

Office Name: Nepal Telecommunications Authority

Office Address: Kathmandu Kathmandu

Funding agency : Internal Resources

Table of Contents

Section I.	A. Request for Expression of Interest	4
Section II.	B. Instructions for submission of Expression of Interest	6
Section III.	C. Objective of Consultancy Services or Brief TOR	8
Section IV.	D. Evaluation of Consultant's EOI Application	19
Section V.	E. EOI Forms and Formats	21

A. Request for Expression of Interest

Request for Expression of Interest

Government of Nepal (GoN)

Name of Employer: Nepal Telecommunications Authority

Date: 04-05-2020 00:00

Name of Project: verification of regulatory data with financial statements of telecom service operators with separate identification of all elements of revenue, cost, assets and liabilities related to the various activities of operator,so as to ensure transparency of accounting system for the year 2075/76.

1. Government of Nepal (GoN) has allocated fund toward the cost of verification of regulatory data with financial statements of telecom service operators with separate identification of all elements of revenue, cost, assets and liabilities related to the various activities of operator,so as to ensure transparency of accounting system for the year 2075/76. and intend to apply portion of this fund to eligible payments under the Contract for which this Expression of Interest is invited for National consulting service
2. The Nepal Telecommunications Authority now invites Expression of Interest (EOI) from eligible consulting firms (“consultant”) to provide the following consulting services: verification of regulatory data with financial statements of telecom service operators with separate identification of all elements of revenue, cost, assets and liabilities related to the various activities of operator,so as to ensure transparency of accounting system for the year 2075/76.
3. Interested eligible consultants may obtain further information and EOI document free of cost at the address Nepal Telecommunications Authority,only on EGp System during office hours on or before 19-05-2020 12:00 or visit e-GP system www.bolpatra.gov.np/egp or visit the client’s website www.nta.gov.np
4. Consultants may associate with other consultants to enhance their qualifications.
5. Expressions of interest shall be delivered online through e-GP system www.bolpatra.gov.np/egp only on EGp System on or before 19-05-2020 12:00
6. In case the last date of obtaining and submission of the EOI documents happens to be a holiday, the next working day will be deemed as the due date but the time will be the same as stipulated.
7. EOI will be assessed based on Qualification 30.0 %, Experience 60.0 %, and Capacity 10.0 % of consulting firm and key personnel. Based on evaluation of EOI, only shortlisted firms will be invited to submit technical and financial proposal through a request for proposal.
8. Minimum score to pass the EOI is 60

B. Instructions for Submission of Expression of

Instructions for Submission of Expression of Interest

1. Expression of Interest may be submitted by a sole firm or a joint venture of consulting firms.
2. Interested consultants must provide information indicating that they are qualified to perform the services (descriptions, organization and employee and of the firm or company, description of assignments of similar nature completed in the last 7 years and their location, experience in similar conditions, general qualifications and the key personnel to be involved in the proposed assignment).
3. This expression of interest is open to all eligible consulting firm/person/ company/ organization.
4. In case, the applicant is individual consultant, details of similar assignment experience, their location in the previous 4 years and audited balance sheet and bio data shall be considered for evaluation.
5. The assignment has been scheduled for a period of 4 Months. Expected date of commencement of the assignment is 01-07-2020.
6. A Consultant will be selected in accordance with the QCBS method.
7. Expression of Interest should contain following information:
 - (i) A covering letter addressed to the representative of the client on the official letter head of company duly signed by authorized signatory.
 - (ii) Applicants shall provide the following information in the respective formats given in the EOI document:
 - EOI Form: Letter of Application (Form 1)
 - EOI Form: Applicant's Information (Form 2)
 - EOI Form: Work Experience Details (Form 3(A), 3(B) & 3(C))
 - EOI Form: Capacity Details (Form 4)
 - EOI Form: Key Experts List (form 5).
8. Applicants may submit additional information with their application but shortlisting will be based on the evaluation of information requested and included in the formats provided in the EOI document.
9. The Expression of Interest (EOI) document must be duly completed and submitted in sealed envelope and should be clearly marked as "EOI Application for Short-listing for the verification of regulatory data with financial statements of telecom service operators with separate identification of all elements of revenue, cost, assets and liabilities related to the various activities of operator,so as to ensure transparency of accounting system for the year 2075/76..The Envelope should also clearly indicate the name and address of the Applicant. Alternatively, applicants can submit their EOI application through e-GP system by using the forms and instructions provided by the system.
10. The completed EOI document must be submitted on or before the date and address mentioned in the "Request for Expression of Interest". In case the submission falls on public holiday the submission can be made on the next working day. Any EOI Document received after the closing time for submission of proposals shall not be considered for evaluation.

C. Objective of Consultancy Services or Brief TOR

**Terms of Reference
for
Consultancy Services
to
Verify the Financial Statement of telecom service provider**

1. Background

Telecommunications sector in Nepal has been liberalized. Nepal Telecommunications Authority (NTA) has been formed to regulate this sector. In this current situation, foreign investments are being used in the telecommunication sector as per the existing policy of government. At present, there are 2 basic Telecommunications service, 2 basic Telephone service, 2 GSM cellular mobile service providers, 16 network Service Provider and 120 Internet service providers. But still Telecommunications market of the country is not competitive in fixed and mobile services.

As per Telecommunications Act, 1997, Telecommunications Regulations, 1997 and license condition of Telecom service provider, all telecom service provider should submit the financial statement to the Nepal Telecommunications Authority within six months after ending related fiscal Year.

Realizing the fact that there are more telecom service providers willing to enter into the market and competitiveness helps increase in the quality of the services provided to customers and more importantly to check abuse of dominance¹ by the existing service provider by cross subsidy, it is necessary to verify their financial statement which is submitted by operator in Nepal telecommunications Authority. It helps to collect and verify the regulatory data and reporting of operations by the telecom service providers, in line with Company Act.

NTA is thus willing to take service of a consultant / firm to collect and verify financial statements as a sample of telecom service provider.

¹ Abuse of dominance can be made out where a network operator refuses access to its network, withdraws access or provides access subject to unjustifiable delays or excessive price.

2. Objective

The main objective of the consultancy service is to collect and verification of regulatory data with financial statements of telecom service operators with separate identification of all elements of revenue, cost, assets and liabilities related to the various activities of operator, so as to ensure transparency of accounting system for the year 2075/76.

3. Scope of Work

The Consultancy shall collect & verify the following things from the financial statements of telecom service operator.

- i. Verification of financial statements submitted to NTA with the financial statements prepared by the operators in accordance with company act for the purpose of statutory audit and tax audit.
- ii. Revenue breakdown of the operator as per attached format of Annex- A and verification with the gross revenue.
- iii. Verification of payment of royalty, RTDF by the operators in accordance with license condition or not?
- iv. Collect and verify the non financial data as per attached format of Annex-B.
- v. Details record of purchase of bandwidth as per attached Annex-C and verify with the NTA's Recommendations.
- vi. Prepare & verify the statement of contribution to the government about tax payment as per attached format of Annex-D
- vii. prepare and verify the statement of investment in telecom sector as per attached format of Annex- E
- viii. Consultant can add or modify the Annexes if he feels necessary for the regulatory compliance.
- ix. Consultant can provide any other information and report related to the regulatory compliance after study of financial statements of the licensee.

While preparing guidelines, the consultant is also expected to:

- Have meetings with NTA officials to understand the issue and concerns, if any
- Visit the telecom operators to understand and review their current accounting systems.
- NTA will provide the name of telecom operator to check their financial statements to the consultant.

4. Qualification and Experience

The consultant must be a Chartered Accountant or Firm with Team Leader having working experience in the field of telecommunications accounting sector carrying out such activity.

5. Deliverables

It is expected that the consultant shall provide inception report within 1 month from the date of signing of the contract.

It is expected that the consultant shall provide final report within 4 month from the date of signing of the contract.

6. Time Duration

The assignment shall be completed within 4 months from the date of signing of the contract.

7. Payment Schedule:

The payment schedule shall be as follows:

S.N	Activities Payment	Amount
1	Submission of Inception Report	20%
2	Submission of Final Reports	80%

8. Counterpart

NTA will depute or designate an officer on the behalf of NTA to coordinate and facilitate to the consultant relating to the assignment.

Cost Estimate (cross verification of financial statement of sampling of telecom service operators):

S. N.	Particular	Man-Month	Rate (NRS)	Total
1	Team Leader (Consultant)	1	400,000.00	400,000.00
2	Team Member	4	250,000.00	1,000,000.00
3	Travel Cost			100,000.00
4	Communication Cost			50,000.00
5	Report Writing/Printing			50,000.00
6	Misc./Management			150,000.00
Total				1,750,000.00
13% VAT				227,500.00
Grand Total				1,977,500.00

Revenue from operations (2075/76)**(Amount in NRs.)**

S.N.	Particulars	For year ended 31 Asadh 2076		
		Revenue	Royalty	RTDF
1	Network service provider			
a	Data connectivity			
b	Corporate internet			
c	Others (specify nature)			
2	Internet with email services			
a	Dial up			
b	Wireless			
c	Lease (corporate internet)			
	Cable			
	IP telephone			
	Wifi-hot spot			
	Others (specify nature)			

Statement of non-financial information for internet (with email) services**1. Basic information**

- 1.1 Name of license:
 1.2 License no. and date of issue/migration:
 1.3 Licensed service area:
 1.4 License period:
 1.5 Date of commencement of commercial service:

1.6 List of board of directors:

Previous year	Current year
(i)	(i)
(ii)	(ii)
(iii)	(iii)
(iv)	(iv)
(v)	(v)

1.7 List of key personnel/designation:

Previous year	Current year
(i)	(i)
(ii)	(ii)
(iii)	(iii)
(iv)	(iv)
(v)	(v)

2. Subscriber details:

Particulars	Opening	Closing
Internet broadband		
Internet (other than broadband)		
IP telephony		
Others (please specify)		

3. Network information**3.1 Capacity details:**

- (a) Capacity leased in (bandwidth in Mbps):
 (b) Capacity leased out (bandwidth in Mbps):

Statement of non-financial information for network service provider services**1. Basic information**

1.1 Name of license:

1.2 License no. and date of issue/migration:

1.3 License period:

1.4 Date of commencement of commercial service:

1.5 List of board of directors:

1.6 List of board of directors:

Previous year	Current year
(i)	(i)
(ii)	(ii)
(iii)	(iii)
(iv)	(iv)
(v)	(v)

1.7 List of key personnel/designation:

Previous year	Current year
(i)	(i)
(ii)	(ii)
(iii)	(iii)
(iv)	(iv)
(v)	(v)

2. Subscriber details:

Particulars	Opening	Closing
Internet broadband		
Internet (other than broadband)		
IP telephony		
Others (please specify)		

2. Traffic details**2.1 Details of transmission capacity available:**

Particulars	Details
(i) OFC	
- Owned (length in route, kilometer)	
- Leased (length in route, kilometer)	
(ii) Microwave	
- Owned	
-Leased	

(iii) Satellite	
(iv) Internet bandwidth	
- Total owned capacity (bandwidth in Mbps)	
- Capacity leased in (bandwidth in Mbps)	
- Capacity leased out (bandwidth in Mbps)	

2.2 Managed data service (VPN/CUG) (total bandwidth):

2.3 Total bandwidth (Mbps) sold through leased circuits:

Contribution to Government (2075/76)**(Amount in NRs.)**

Particulars	Provision/Expenses during this year (2075/76)
a) Income tax b) Royalty c) License fee d) Ownership tax e) Telecommunication service charge f) RTDF contribution g) Frequency fee	

ANNEX-E

Investment in telecommunication sector

(Amount in NRs.)

Particulars	Equity				Debt			Grand total
	Local	Foreign	Reserve & Surplus	Total	Local	Foreign	Total	
(a) Upto previous year								
(i) Internet services								
(ii) NSP Services								
(iii) Others (specify nature)								
(b) Addition during the year								
(i) Internet services								
(ii) NSP Services								
(iii) Others (specify nature)								
(c) Upto current year								
(i) Internet services								
(ii) NSP Services								
(iii) Others (specify nature)								

D. Evaluation of Consultant's EOI Application

Evaluation of Consultant's EOI Application

Consultant's EOI application which meets the eligibility criteria will be ranked on the basis of the Ranking Criteria.

i) Eligibility & Completeness Test

Sl. No.	Criteria Title	Compliance
1	Corporate Registration	
2	Tax Clearance for FY 2076/77	
3	VAT/PAN Registration	
4	EOI Form 1: Letter of Application	
5	EOI Form 2: Applicant Information Form	
6	EOI Form 3: Experience (3(A) and 3(B))	
7	EOI Form 4: Capacity Average Annual Turnover should be atleast 2.5 Million	
8	EOI Form 5: Qualification of Key Experts with CV	

ii) EOI Evaluation Criteria

A. Qualification

Sl. No.	Criteria	Minimum Requirement
1	Qualification of Key Experts	as per TOR
2	Experience of Key Experts	as per TOR

Score: 30.0

B. Experience

Sl. No.	Criteria	Minimum Requirement
1	General Experience of consulting firm	As per TOR
2	Specific experience of consulting firm within last 7 years. In case of person, specific experience of the person within last 4 years.	As per TOR

Score: 60.0

C. Capacity

Sl. No.	Criteria	Minimum Requirement
1	Financial Capacity.[Average turnover required shall not exceed 150% of cost estimate]	2.5 Million

Score: 10.0

Minimum score to pass the EOI is: 60

Note : In Case, a corruption case is being filed to Court against the Natural Person or Board of Director of the firm/institution /company or any partner of JV, such Natural Person or Board of Director of the firm/institution /company or any partner of JV such firm's or JV EoI shall be excluded from the evaluation, if public entity receives instruction from Government of Nepal.

E. EOI Forms & Formats

E. EOI Forms & Formats

Form 1. Letter of Application

Form 2. Applicant's information

Form 3. Experience (*General, Specific and Geographical*)

Form 4. Capacity

Form 5. Qualification of Key Experts

Standard EOI Document

1. Letter of Application

(Letterhead paper of the Applicant or partner responsible for a joint venture, including full postal address, telephone no., fax and email address)

Date:

To,

Full Name of Client: _____

Full Address of Client: _____

Telephone No.: _____

Fax No.: _____

Email Address: _____

Sir/Madam,

1. Being duly authorized to represent and act on behalf of (hereinafter "the Applicant"), and having reviewed and fully understood all the short-listing information provided, the undersigned hereby apply to be short-listed by **[Insert name of Client]** as Consultant for **[Insert brief description of Work/Services]**.
2. Attached to this letter are photocopies of original documents defining:
 - a) the Applicant's legal status;
 - b) the principal place of business;
3. **[Insert name of Client]** and its authorized representatives are hereby authorized to verify the statements, documents, and information submitted in connection with this application. This Letter of Application will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such information deemed necessary and requested by yourselves to verify statements and information provided in this application, or with regard to the resources, experience, and competence of the Applicant.
4. **[Insert name of Client]** and its authorized representatives are authorized to contact any of the signatories to this letter for any further information.¹
5. All further communication concerning this Application should be addressed to the following person,

[Person]

[Company]

[Address]

[Phone, Fax, Email]
6. We declare that, we have no conflict of interest in the proposed procurement proceedings and we have not been punished for an offense relating to the concerned profession or

¹ Applications by joint ventures should provide on a separate sheet, relevant information for each party to the Application.

Standard EOI Document

business and our Company/firm has not been declared ineligible.

7. We further confirm that, if any of our experts is engaged to prepare the TOR for any ensuing assignment resulting from our work product under this assignment, our firm, JV member or sub-consultant, and the expert(s) will be disqualified from short-listing and participation in the assignment.
8. The undersigned declares that the statements made and the information provided in the duly completed application are complete, true and correct in every detail.

Signed :

Name :

For and on behalf of (name of Applicant or partner of a joint venture):

Standard EOI Document

2. Applicant's Information Form

(In case of joint venture of two or more firms to be filled separately for each constituent member)

1. Name of Firm/Company:
2. Type of Constitution (*Partnership/ Pvt. Ltd/Public Ltd/ Public Sector/ NGO*)
3. Date of Registration / Commencement of Business (*Please specify*):
4. Country of Registration:
5. Registered Office/Place of Business:
6. Telephone No; Fax No; E-Mail Address
7. Name of Authorized Contact Person / Designation/ Address/Telephone:
8. Name of Authorized Local Agent /Address/Telephone:
9. Consultant's Organization:
10. Total number of staff:
11. Number of regular professional staff:

(Provide Company Profile with description of the background and organization of the Consultant and, if applicable, for each joint venture partner for this assignment.)

Standard EOI Document

3. Experience

3(A). General Work Experience

(Details of assignments undertaken. Each consultant or member of a JV must fill in this form.)

S. N.	Name of assignment	Location	Value of Contract	Year Completed	Client	Description of work carried out
1.						
2.						
3.						
4.						
5.						
6.						
7.						

Standard EOI Document

3(B). Specific Experience

Details of similar assignments undertaken in the previous seven years

(In case of joint venture of two or more firms to be filled separately for each constituent member)

Assignment name:	Approx. value of the contract (in current NRs; US\$ or Euro) ² :
Country: Location within country:	Duration of assignment (months):
Name of Client:	Total No. of person-months of the assignment:
Address:	Approx. value of the services provided by your firm under the contract (in current NRs; US\$ or Euro):
Start date (month/year): Completion date (month/year):	No. of professional person-months provided by the joint venture partners or the Sub-Consultants:
Name of joint venture partner or sub-Consultants, if any:	Narrative description of Project:
Description of actual services provided in the assignment: Note: Provide highlight on similar services provided by the consultant as required by the EOI assignment.	

Firm's Name: _____

² Consultant should state value in the currency as mentioned in the contract

Standard EOI Document

3(C). Geographic Experience

Experience of working in similar geographic region or country

(In case of joint venture of two or more firms to be filled separately for each constituent member)

No	Name of the Project	Location (Country/ Region)	Execution Year and Duration
1.			
2.			
3.			
4.			
5.			
6.			
7.			

Standard EOI Document

4. Capacity

4(A). Financial Capacity

(In case of joint venture of two or more firms to be filled separately for each constituent member)

Annual Turnover	
Year	Amount Currency

- **Average Annual Turnover**

--

(Note: Supporting documents for Average Turnover should be submitted for the above.)

Standard EOI Document

4(B). Infrastructure/equipment related to the proposed assignment³

No	Infrastructure/equipment Required	Requirements Description
1.		
2.		
3.		
4.		
5.		

³ Delete this table if infrastructure/equipment for the proposed assignment is not required.

Standard EOI Document

5. Key Experts *(Include details of Key Experts only)*

(In case of joint venture of two or more firms to be filled separately for each constituent member)

SN	Name	Position	Highest Qualification	Work Experience (in year)	Specific Work Experience (in year)	Nationality
1						
2						
3						
4						
5						

(Please insert more rows as necessary)