### Points requiring clarifications in relation to the Expression of Interest No. 14 “Business Plan for SME-Focused NBFC”

We have the following queries/ clarification requirements with respect to certain content mentioned in the Expression of Interest (EOI) and for which your feedback/ expectations from the consultants is sought:

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| **S#** | **Clarification/ Information Required** | **Comments** |
| **1** | One of the pre-requisites is the requirement of audited accounts. This is a practice which is rarely applicable of partnership firms. We are bidding as a consortium and this practice is not applicable on 2 of our consortium members. Is there an alternative we can provide besides audited accounts? We will be more than happy to share our tax certificates, returns and financial statements (un-audited). | Please refer to **Checklist** (section h): “For the most recent fiscal year audited financial statements and/or income tax returns filed with the tax authorities and/or the letter from the external auditor and/or from CFO confirming the revenues and that the accounts have been audited. (Single entity or Lead entity and its partners)” |
| **2** | Under section b, scope of work, inception phase the first step of the project is to: ‘Develop an understanding of Pakistan’s NBFI sector, and the experience and current business of Karandaaz Capital by reviewing:Findings of the Feasibility Study, including developing an understanding of Pakistan’s SME market (demand and supply side)’. Can you please clarify what this feasibility study is?  | A Feasibility Study for establishing an SPV for SME Financing was commissioned by Karandaaz. The Feasibility included an SME market sizing exercise (no. of SMEs, geographic concentration) and a regulatory scan to determine a regulatory structure suited to Karandaaz’s vision, learnings and targets in the SME financing space. This study which is available with Karandaaz will be made available to the successful bidder at the start of the project.  |
| **3** | If we are the bidding as a Firm with a sub-contracting agreement with another entity for specific TORs, what documentation do we need to provide for the sub-contracted entity in the EOI? | Subcontracting will not be allowed; the lead firm should bring the other entity as consortium partner |
| **4** | In the project brief section, there is a ask about the financial capability of the bidding entity – could you please elaborate on what you mean by this? | The financial capability can be reflected by the revenues of the bidder, equity of the bidder and/or contract size of previous assignments. |
| **5**  | In Phase 1 of the TORs, a number of areas for analysis are mentioned such as sector size, entity type wise capital requirements and key sectoral challenges etc. We would like to clarify if and to what extent does Karandaaz expect primary research on these areas given the fact that a fair amount of information on these topics is available through reports/ surveys by SBP, IFC etc. for example the WB Enterprise Survey. This will among other things have budget considerations. | Primary research may be proposed for verifying and updating secondary information already available, if in your view it is essential.  |
| **6** | Secondly, the scope of work requires extensive on ground presence of experts. We’d like to clarify, if KRN is open to the idea of international experts working remotely on the project i.e. through video con. etc. Again this will have budget considerations. | While experts may work remotely, a major consideration during evaluation will be the level of on-ground presence in terms of number of days or presence during the meetings/updates.  |
| **7**  | What is the allocated budget for this assignment. | The allocated budget will not be disclosed.  |
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