



**GOVERNMENT OF TELANGANA
AAROGYASRI HEALTH CARE TRUST**

Tender call for selection of Statutory Auditor for Aarogyasri Health Care Trust (AHCT) for conducting of Statutory Audit for the F.Y 2023-24

Implementing Agency :

Aarogyasri Health Care Trust,
(Government of Telangana)
Door No. 8-2-293/82/a/ahct,
Road No. 46, Jubilee Hills,
Hyderabad - 500033.
Phone: 040-23547107
Email: aarogyasriacccts@gmail.com

GENERAL INFORMATION ABOUT TENDER

1.	Tender No.	782/AHCT/Accts/2023-24
2.	Time Schedule	All the activities relating to submission of Tenders, Opening of Pre-qualification Bids, Opening of Commercial Bids will be taken up in Aarogyasri Health Care trust, Door No.8-2-293/82/a/ahct, Road No.46, Jubilee Hills, Hyderabad.
	a) Downloading of tender Forms	From 04.09.2023 - 03.00 PM to 19.09.2023 - 05.00 PM from www.aarogyasri.telangana.gov.in https://tender.telangana.gov.in
	b) Last Date and Time for Receipt of Tender in online and physical	19.09.2023-05.00 PM.
	c) Time and date for the Opening of pre-qualification bids	20.09.2023--11.30 AM
	d) Time and date for the Opening of Commercial bids	23.09.2023-11.00 AM
3.	Address for communication	Chief Executive Officer, Aarogyasri Health Care Trust, Door No. 8-2-293/82/a/ahct, Road No. 46, Jubilee Hills, Hyderabad – 500033. Email : aarogyasriacccts@gmail.com Ph no. 040-23547107
4.	Submission procedure	<p>The Bidders shall submit their eligibility and qualification details in Technical Bid.</p> <p>It is mandatory that the Bidders shall submit copies of all the relevant documents in online for support of their eligibility criteria/technical bids.</p> <p>The Bidders shall sign on the statements, documents, certificates, uploaded by them; owning responsibility for their correctness/ authenticity. If any document submitted is found to be false or unauthentic at the time of verification the candidature will be cancelled without notice.</p> <p>The Bidders shall submit the originals of DD/BG towards EMD, for the Technical Bid without this the bid shall be treated as invalid.</p> <p>The Bidders are requested to get a confirmed acknowledgement from the Tender Inviting Authority as a proof of submission of Hard copies to avoid any discrepancy.</p>
5.	Tender Documents	The Bidders can seek clarification, if any, from the Tender Inviting Authority through email – aarogyasriacccts@gmail.com
6.	General Terms and Conditions	As per Tender Document



GOVERNMENT OF TELANGANA

NOTICE INVITING BID

Web Site: www.aarogyasri.telangana.gov.in

TENDER DOCUMENT

FOR

Appointment of Statutory Auditors for Aarogyasri Health Care Trust for the F.Y. 2023-24

Tender Notice No	782/AHCT/Accts/2023-24
	Date: 04.09.2023

Name of the Firm and Address	

Implementing Agency:

Aarogyasri Health Care Trust,
(Government of Telangana)

Door No. 8-2-293/82/a/ahct

Road No. 46, Jubilee Hills,

Hyderabad - 500033.

Phone: 040-23547107

Email : aarogyasriaccts@gmail.com

Request for Proposal (RFP)

**For Appointment of Statutory Auditors for Aarogyasri
Health Care Trust (AHCT) for the F.Y. 2023-24**

REQUEST FOR PROPOSAL (RFP)

Aarogyasri Health Care Trust seeks to invite Proposal from ***C&AG empanelled Chartered Accountant firms those are empanelled for the year 2023-24*** for conducting the statutory audit for the FY 2023-24.

The details about the background of the auditee, the units to be covered in the audit, scope of work, terms of reference, and the eligibility criteria for selection of the CA firms are given in the following paragraphs.

1. Terms of Reference (ToR)

Aarogyasri is the flagship scheme of all health initiatives of the State Government with a mission to provide quality healthcare to the Poor. The aim of the Government is to achieve "Health for All" by covering all the poorest of the poor families living below poverty line in the State. This scheme certainly counts to be one of the pioneers in terms of achieving equity and providing accountable and evidence-based good quality health-care services in the state to assist poor families from catastrophic health expenditure.

In order to facilitate the effective implementation of the scheme, the State Government set up the Aarogyasri Health Care trust administered by a Chief Executive Officer. The scheme is being implemented in consultation with the specialists in the field of health care. All the Primary Health Centers, Area Hospitals, District Hospitals, Network Hospitals are provided with Help Desks manned by Aarogya Mithras to facilitate the patients.

A sophisticated online system is being used at various levels such as patients registration, treatment, follow up treatment, payment to the hospital, etc. with a view to provide quality services to the patients. The online system will provide dash-board information to the general public such as Lists of empanelled hospitals, treatments available in hospitals, eligibility criteria for treatment, and so on.

2. The following Programmes/Schemes are being implemented by the Trust:

A. Aarogyasri Scheme

- Providing quality hospital care and equity of access to BPL families by providing quality medical services from identified network hospitals.
- Providing financial security against the catastrophic health expenditures.

B. Employees Health Scheme & Journalists Health Scheme.

- Providing cashless medical services to the Government Employees, Pensioners, Working and Retired Journalists and their dependents through a network of empanelled hospitals.

C. Further, any scheme brought under AHCT as per the orders of Government shall be audited as per the Scheme guidelines issued from time to time.

3. Funding and Accounting Arrangements:

For the implementation of the above programmes, the Government of Telangana and NHA transfer funds in the form of Grants-in-Aid to Aarogyasri Health Care Trust on the basis of allocations under State and Central Budget and AHCT in turn submit financial activity reports at varying frequencies to the Government.

4. Objective of audit services:

The books of accounts as maintained by the Trust shall form the basis for preparation of the financial statements.

The objective of the audit is to ensure that the grant proceeds provided by the Government are used for purposes intended in line with proper approvals and that the annual financial statements are free from material mis-statements.

The objective of the audit of the financial statements i.e. Balance Sheet, Income & Expenditure, Receipt & Payment, together with relevant accounting policies, notes to accounts and schedules such as Bank Reconciliation Statements, Statement of Funds Position, Reconciliation of Expenditures as per Audited financial statements is to enable the auditor to express a professional opinion as to whether:-

- The financial statements give a true and fair view of the Financial Position of the Trust at the end of fiscal year and of the funds received and expenditure incurred for the accounting period ended on March 31st.
- The funds were utilized for the purposes for which they were provided.

5. Criteria for Selection of Auditors

a) C&AG empanelled major audit firms: Chartered Accountant firms those are empanelled with C&AG for the year 2023-24 only will be eligible for the audit of the AHCT Schemes.

b) Selection through Open Tender System: The selection of the Auditor should be through an Open Tender basis.

c) Preference of firms having H.O./Local Branch office in the State Capital:
The first preference will be given to those bidders who have head office at Hyderabad.

In case of tie preference will be given to that Firm which was established earliest.

d) Firms have to give an undertaking that the audit team members are proficient in State official language (both oral and written) and will be headed by a Chartered Accountant on regular basis.

e) Eligibility Criteria:

S.No	Item	Criteria Requirement	Proof Required
1	Financial Strength	(i) Historical Financial Performance: Submission of audited balance sheets with UDIN, other financial statements acceptable to the Trust, for the <u>last three (3)</u> years to demonstrate the current soundness of the bidders financial position, profits, net worth positive and its prospective long term profitability for FY's 2019-20, 2020-21 and 2021-22 and IT Returns for the A.Y. 2020-21, 2021-22 and 2022-23.	Must meet requirement Audited Financial Statements and IT Returns
		(ii) Average Annual Turnover: Minimum average annual turnover of Rs One hundred (100) lakhs calculated as total certified payments received for contracts in progress or completed, within the <u>last three(3)</u> years i.e., FYs 2019-20, 2020-21 and 2021-22.	Must meet requirement Audited balance sheets
2	Experience	Experience: Experience in Audit works of at least <ul style="list-style-type: none"> • 1 work of Rs Ten (10) lakhs in specified last three financial years or • 2 works of Rs Eight (8) lakhs each in specified last three financial years or • 3 works of Rs Six (6) lakhs each in specified last three financial years. 	Must meet requirement Work Orders

6. The other major points related to Statutory Audit is as follows:

- a. To ensure timely completion of audit, AHCT ensure that the books of accounts are ready before the start of audit. Further, timely availability of information to the auditors will be ensured for completion of audit on time.
- b. After the completion of audit, AHCT organizes a meeting with the auditors to discuss the audit observations.
- c. A copy of the working papers of the auditors shall be retained by the Joint Executive Officer (Accounts)

7. Scope & Coverage of audit: In conducting the audit special attention should be paid to the following:

- a. **Audit of Books of accounts and ancillary records of the Trust**
 - Bank Reconciliation Statements
 - Scrutiny of Ledgers
 - Fixed Asset Register and Depreciation
 - Procurement / tendering process of fixed assets, consumables, stationery, etc. relevant procurement guidelines issued by the State Government.
 - Compliance of statutory obligations
 - Checking of grants received and its utilization in accordance with the terms laid down by the Government/AHCT Board from time to time with due attention to economy and efficiency, and only for the purpose for which the financing was provided.
 - The Statutory Auditor may review the internal audit reports / quarterly executive summaries and may consider material observations / findings while forming his opinion on overall internal control and truth & fairness of accounts/financial statements.
- b. **Income Tax related matters**
 - Preparation of replies to Income Tax Department in respect to Notices received by the Trust and appearing for the hearings.
 - Preparation and filing of yearly Income Tax Return for the Trust.
 - Providing Advice/Opinion on all matters related to TDS/TCS issues whenever requested by Aarogyasri Health Care Trust.
 - Preparation and filing of quarterly TDS returns.
 - Any other clarifications related to funds utilization of AHCT.

c. AG Audit:

- To assist and depute auditors to the Trust as and when requested during Audit on the Accounts of the Trust by the office of Accountant General (AG).
- To assist the trust in providing replies to AG Audit paras if any.

d. GST related matters

- Advice for proper accounting and maintenance of records.
- Representing before Goods and Service Tax authorities and providing clarifications and opinions on issues.

e. *Annual Accounts related work – Verification of all the accounting statements / schedules.*

- Verification of correctness of the Trial Balance including the verification of opening ledger balances and suggesting reversal / year end entries wherever necessary.
- Calculation of provisions for depreciation on fixed assets
- Verification of detailed schedule of interests received on FD investments and calculations of accrued interest.
- *Financial Statement shall include the following:*
 - i. Audit Opinion.
 - ii. Balance sheet showing accumulated funds of the scheme balances other assets of the Trust, and liabilities, if any.
 - iii. Income & Expenditure account for the year ending on 31st March.
 - iv. Receipt and Payment Account for the year ending on 31st March.
 - v. Other Schedules to the Balance sheet and Income & Expenditure, Receipts & Payments as appropriate, but which shall include
 - Statement of Fixed Assets in the form of a Schedule
 - Schedule of Loans and Advances (Age-wise analysis)
 - Schedule of all Cash & Bank Balances (supported by bank reconciliation statements)
 - vi. Notes on Accounts showing the accounting policies followed in the preparation of accounts and any other significant observation of the auditor.
 - vii. Auditor shall have to specify the significant observations, including internal control weaknesses for each program and also specify the institution to which these relates to enable/ facilitate appropriate follow up action.
 - viii. Action Taken Report on the previous year's audit observations.

IX. In addition to the audit reports, the auditor should summarize the observation on the internal control issues as under:

- a) Give comments and observations on the accounting records, systems and internal controls that were examined during the course of audit
- b) Identify specific deficiencies and area of weakness in the system and internal controls.
- c) Report procurements which have not been carried out as per the procurement manual / guidelines of the state.
- d) Communicate matters that have come to the attention during the audit which might have significant impact on the implementation of the project and bring to AHCT's attention any other matter that the auditor considers pertinent.

8. Contract Period:

The selected Chartered Accountant Firm will be required to provide the above-mentioned services as Statutory Auditors initially for one accounting year that is 2023-24 and will be renewed subject to a maximum period of 3 years depending upon satisfactory performance, on mutually agreed terms.

9. Reporting and Timing

- a) The final Audit Report should be submitted by **31st July** to the Chief Executive Officer, Aarogyasri Health Care Trust then promptly forward **3 copies (Spiral Bound) and also soft copy in MS Excel / MS Word & PPT and Scanned (Both) copies are also to be submitted in mail/ CD** of the audited financial statements signed by the CEO and Auditor both.
- b) **Penal provision on failure to complete the Audit on time:** In order to ensure timeliness on the part of the Auditor, if the AHCT feels that in spite of providing all information, documents, and updated books of accounts, there was delay in submission of Audit Report from the auditor and in finalizing the issues raised by AHCT administration, the *AHCT may deduct the audit fees @ 5% per month from the due date of completion of audit.* A clause in this regard shall be incorporated in the contract agreement. However in case of delay in submitting the audit report due to unforeseen circumstances like flood, earthquake, election, etc.., the AHCT has the right to waive off the penalty. Further, before imposing penalty, the firm may be given an opportunity to be heard.
- c) The auditor shall be given access to any information relevant for the purpose of conducting the audit, in addition to all financial and procurement records, SCAs, instructions issued by Govt/AHCT, administrative orders issued by the Govt/AHCT. The AHCT shall make sure that complete cash book, ledgers, vouchers, and other financial statements are ready at the time of visit of auditors.

10. Submission of Bid Security & Transaction Fee:

S.No.	Item	Description
1	Bid Security	<p>Rs.50,000/- (Rupees Fifty Thousand only) Note: Scanned copy of EMD document should be uploaded on e-Procurement website. The original copy of EMD should be submitted to AHCT on or before submission of Tender.</p> <p>EMD should be in the form of DD, in the Name of "Chief Executive Officer, AHCT, Telangana" payable at Hyderabad". The validity period should be 3 months from the date of issue of DD. Online payment is also accepted and receipt/acknowledgement to be furnished.</p> <p>The Firms registered under National Small Industries Corporation Ltd. and MSME exempted from payment of EMD on submission of documentary evidence issued by the Government.</p>
2	Transaction Fee (Mandatory)	<p>It is Mandatory for all the participant bidders from 1st January 2006 to pay electronically a Non-refundable Transaction fee to M/s. TSTS, the service provider through "Payment Gateway Service on E-Procurement platform". The Electronic payment gateway accepts all Master and Visa Credit Cards issued by any bank and Direct Debit facility/Net Banking of ICICI Bank, Axis Bank to facilitate the transaction. This is in compliance as per G.O.Ms. 13 dated 07.05.2006. A GST of 18 %+ Bank charges on the charges on the transaction amount payable to TSTS shall be applicable.</p>

11. Refund of Bid Security (EMD):

- a) In case of unsuccessful bidders whose tenders are not considered for placing order, the Earnest Money Deposit will be refunded without any accrued interest within three months of the final decision for selection of Agency / Firm.
- b) Aarogyasri Health Care Trust reserves the right to forfeit part or full security deposit amount without assigning any reason, if bidder is found in violation of all any of the tender conditions.
- c) The EMD of successful bidder will be treated as Performance Security Deposit for the tenure of the contract and the same will be returned after completion of Contract period.

12. Minimum Audit Fee:

The minimum audit fee for providing statutory audit services is Rs 5,00,000 per annum Excluding GST.

13. Guidelines for Submitting the Proposals:

Agencies are required to submit the proposal as per the guidelines and formats detailed out in the following paras:

- i. The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "**TECHNICAL PROPOSAL**". Similarly, the original Financial Proposal shall be placed in a separate sealed envelope clearly marked "**FINANCIAL PROPOSAL**" followed by the name of the assignment and with a warning "**DO NOT OPEN WITH THE TECHNICAL PROPOSAL.**" The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed.

This outer envelope shall bear the submission address, reference number and title of the Assignment, and be clearly marked "**DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED.**" The AHCT shall not be responsible for misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may provide a case for Proposal's/ bid's rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this shall constitute grounds for declaring the Proposal non-responsive/ invalid.

- ii. All agencies must comply with the Technical Specification, General Conditions and Format/Requirements for Technical and Financial proposal.
- iii. Financial proposals submitted by the firm should be valid for 2 months from the date of submission of the proposal by the firm.
- iv. **Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorized signatory of the firm.**
- v. All blank spaces in the financial proposal must be filled in completely wherever indicated, either typed or written in ink.
- vi. **Aarogyasri Health Care Trust (AHCT) reserves the right to accept or reject any proposal without giving any explanation and can change the evaluation criteria as per its requirements in the interest of the organization.**
- vii. The auditors must have the Head Office/Branch Office in Hyderabad.
- viii. Firm shall have to depute appropriate no. of teams for timely submission of Audit Report and to attain quality of audit.

xi. Bid Schedule:

i) Downloading of Tender forms	:	04.09.2023 03.00 PM to 19.09.2023 05.00 PM
ii) Last date for submission of Bids in online (Mandatory Submission in online)	:	19.09.2023 05.00 PM
iii) Opening of Pre-qualification Bids:	:	20.09.2023 11.30 AM
iv) Opening of Commercial Bids	:	23.09.2023 11.00 AM

xii. Pre-qualification & Commercial Bid will consist of:

- i Letter of Transmittal (**Form T-1**)
- ii Pre-qualification Proposal format (**Form T-2**)
- iii Commercial Bid format (**Form F-1**)
- iv Form-U

Letter of Transmittal

To,
The Chief Executive Officer,
Aarogyasri Health Care Trust,
Jubilee Hills,
Hyderabad

Sir,

We, the undersigned, offer to provide the audit services for Aarogyasri Health Care Trust in accordance with your Request for Proposal dated _____.

We are hereby submitting our Proposal, having details about the firm and proposed audit fees.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

The Fees quoted by us is valid till four months from the date of submission of the proposal. We confirm that this proposal will remain binding upon us and may be accepted by you at any time before the expiry date.

Prices have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.

We agree to bear all costs incurred by us in connection with the preparation and submission of the proposal and to bear any further pre-contract costs.

We understand that Aarogyasri Health Care Trust is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.

I confirm that I have authority of [Insert Name of the C.A. Firm] to submit the proposal and to negotiate on its behalf.

Yours
faithfully,

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Form T-2
Format for Pre-qualification Bid

SI No	Particulars	Supporting documents required to be submitted along with form
1	*Name of the firm	
2	*Address of the Firm	*Attach proof of address of the firm
3	*Name & Mobile No. of In-charge	
4	*Date of establishment of the Firm	Attach copy of Partnership Deed
5	*Date of establishment Head Office/Branch Office at Hyderabad	
6	*Firm Income Tax PAN No.	Attach copy of PAN card
7	*Firm GST Registration No.	Attach copy of Registration
8	*Firms Registration No. with ICAI	Attach a copy of certificate downloaded from ICAI website showing the name & address and partners etc.
9	*Empanelment No. with C&AG(For the F.Y. 2023-24)	Attach proof of empanelment with C&AG confirming that the firm is eligible for major PSU audits. Incase of non-availability of C&AG certificate, the acknowledgement issued by C&AG to be furnished.
10	<p>*Details of Partners:</p> <p>a) No. of Full Time Fellow Partners associated with the Firm b) Name of Each Partner c) Date of becoming ACA and FCA(Please attach firm constitution certificate issued by ICAI) d) Date of joining the Firm e) Membership No. f) Qualification g) Experience h) Whether partner engaged full time or part time with firm. i) Partnership Deed Contact Mobile No, email and full address of partner.</p>	<p>Attested copy of Certificate of ICAI not before 01.04.2023 (Use separate paper if necessary to furnish Partners details)</p>

11	<p>*Audit Experience of the Firm Last three Years(F.Ys 2019-20, 20-21, 21-22)</p> <p>a) Assignments in Internal/Statutory Audit.</p> <p>b) Exclusive Assignments in Govt Institutions.</p>	Please submit the separate abstract of the works as specified at 11(a) & (b) each along with the relevant Proofs (Refer Annexure-I)
12	<p>Financial performance</p> <p>Balance sheets with UDIN for F.Y. 2019-20</p> <p>Balance sheets with UDIN for F.Y. 2020-21</p> <p>Balance sheets with UDIN for F.Y. 2021-22</p>	Supporting Documents to be attached in online and offline.
13	<p>Financial performance</p> <p>ITR for A.Y. 2020-21</p> <p>ITR for A.Y. 2021-22</p> <p>ITR for A.Y. 2022-23</p>	Supporting Documents to be attached in online and offline.
14	<p>Audited works for the last three financial Years (F.Y. 2019-20, 2020-21 & 2021-22</p> <p>a) One work of 10 Lakhs in Specified Financial years (Name of the works) or</p> <p>b) Two works of 8 Lakhs each in Specified Financial year (Name of the works) or</p> <p>c) Three works of 6 Lakhs each in Specified Financial year (Name of the works)</p>	Supporting Documents to be attached in online and offline. (Refer Annexure-I)

*The Documents related to Financials should be furnished with UDIN.

*Those without UDIN will be rejected.

FORMAT FOR FINANCIAL BID

Particulars	Total Amount (in Rupees)
AUDIT FEE PER ANNUM Audit Fee Excluding GST - Rs. _____ Note: Percentage of funds involved shall not be a basis of quoting the Audit Fee	Total in Numeric and in Words Rs. _____ / (Rupees _____ only)

Form U

(Letter of undertaking for having the local office in the State)

To,

The Chief Executive Officer,
Aarogyasri Health Care Trust,
Jubilee Hills,
Hyderabad

Sir,

We, the undersigned offer to provide the audit services for [*Name of organization*] in accordance with your Request for Proposal dated [*insert date*]. We hereby submit our Proposal, having details about the firm and proposed audit fees.

We hereby declare that our firm is having Head/ Branch offices in the State ofand is situated at

..... address proof (photocopy of letter for incorporation of firm, lease agreement, phone connection, Electric Connection etc.) of this office in the State is enclosed herewith.

We hereby also give an undertaking that the firm's staffdeputed for the audit are proficient in State's/UTs local language, both in oral and written form.

We hereby understand that any information given here if found to be false or misleading will be treated as fraud and appropriate action can be taken in this regard.

Yours faithfully

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Encl:

1.....

2.....

Bidders should submit the following Mandatory particulars along with

Documents in online:

1	Form-T1
	Form-T2
	a) Name of the Firm
	b) Address of firm
	c) Date of Establishment of Firm
	d) Establishment of Firm at Hyderabad
	e) PAN Card
	f) GST Number
	g) Firm Registration with ICAI
	h) Empanelment with CAG
	i) Audit Experience
	a) Internal/statutory Audits
	b) Exclusive Assignments in Govt Institutions
	j) Details of Partners
	k) Attested certificate of Copy of ICAI (Not before 01.04.2023)
2	
3	Financial performance
	Balance sheets with UDIN for F.Y. 2019-20
	Balance sheets with UDIN for F.Y. 2020-21
	Balance sheets with UDIN for F.Y. 2021-22
	ITR of A.Y. 2020-21
	ITR of A.Y. 2021-22
	ITR of A.Y. 2022-23
4	Audited works for the last three financial Years(F.Y. 2019-20, 2020-21 & 2021-22)
	a) One work of 10 Lakhs in Specified Financial years (Name of the work) or
	b) Two works of 8 Lakhs each in Specified Financial years (Name of the works) or
	c) Three works of 6 Lakhs each in Specified Financial years (Name of the works)
5	Form-U

Annexure-I

S.No.	Institution	Name of the Work	Value of the Work	Period