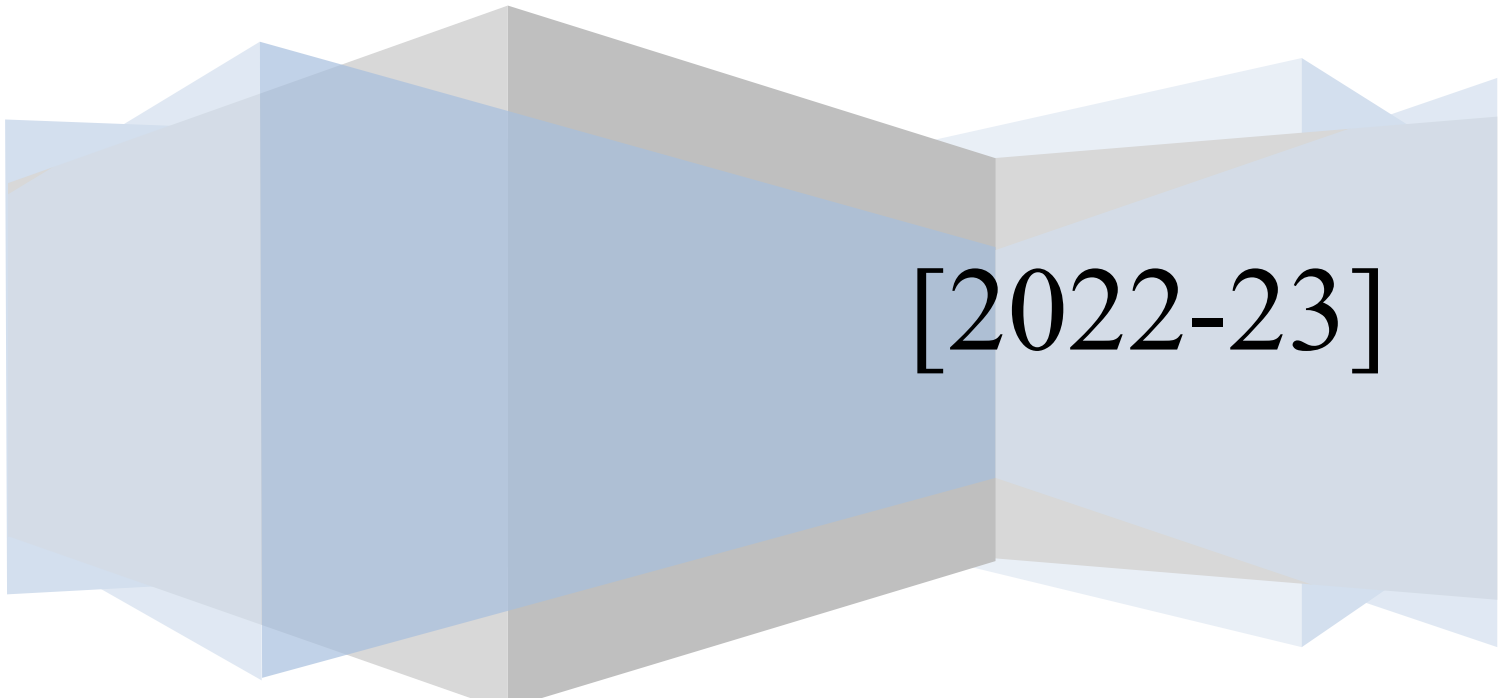


Request for Proposal (RFP)

**For Appointment of Concurrent Auditor for
State Health Society (SHS) and District Health
Societies (DHSs)**



[2022-23]

REQUEST FOR PROPOSAL (RFP) –

State Health Society, Punjab, seeks to invite Proposal from **C& AG empanelled Chartered Accountants firms** meeting the minimum eligibility criteria for providing their services for the concurrent audit of the financial year 2022-23 of State Health Society, Punjab and 23 District Health Societies of the State implementing various programs under the National Health Mission. This appointment is for one year & can be renewable for next year subject to the satisfactory performance of Concurrent Auditor.

1. The details about the background of the auditee, objective, standard, scope, coverage, Contents of Audit , Reporting and Timings, eligibility criteria, Procedure regarding selection and appointment of Concurrent Auditors and General guidelines for submission of bids are given in the following paragraphs.
2. A complete set of RFP specifying eligibility criteria, and other terms and conditions applicable for the above said assignment may be obtained from O/o Mission Director, NHM-Punjab, as per address mentioned above from 09:00 AM to 5:00 p.m. on any working day. RFP can be downloaded from Website <https://nhm.punjab.gov.in/nhmwebsite/tender.php>.
3. The Bids invited will be received till 12:00 PM of 07.07.2022 and will be opened by the Committee in the O/o State Health Society on the same day i.e. 07.07.2022 at 3:00 PM in presence of the authorized representatives of the bidders. The representatives attending the bid opening proceedings must tender an authorization letter from the bidders.
4. The Chartered Accountant Firms applying for the Audit of SHS and DHS has to submit their application in the O/o Mission Director, PRAYAS Building 5th Floor, Sector 38 B, Chandigarh. Appointment for the Audit of State Health Society, Punjab and District Health societies will be done by Audit Committee of SHS.

Terms of Reference (ToR)

Section I - Background

1. National Rural Health Mission (NRHM) (at present known as National Health Mission) of the Ministry of Health & Family Welfare was launched on 12th April, 2005 by the Government of India to improve medical facilities in all the area in the country. The NHM seeks to provide accessible, affordable and quality health care to the population, especially the vulnerable sections. It also seeks to reduce the Maternal Mortality Ratio (MMR) in the country from 407 to 100 per 1,00,000 live births, Infant Mortality rate (IMR) from 60 to 30 per 1000 live births and the Total Fertility Rate (TFR) from 3.0 to 2.1 within the 7 year period of the Mission. It has now been termed as National Health Mission (NHM). NHM is overarching NUHM also and includes Non-Communicable Diseases (NCD) as well.
2. One of the visions of the Mission is to increase public spending on health from 0.9% to 2-3% of GDP, with the improved arrangement for community financing and risk pooling. The NHM has provided an umbrella under which the existing Reproductive and Child Health Programme (RCH) and various National Disease Control Programmes (NDCPs) have been repositioned. National Urban Health Mission (NUHM) has also been added as submission of National Health Mission.
3. At present the following Programmes/Schemes falls under the National Health Mission:

A. NHM-RCH Flexible Pool:

• RCH Flexible Pool (including Routine Immunization (RI), Pulse Polio Immunization (PPIP) & National Iodine Deficiency Disease Control Programme (NIDDCP)

B. Health System Strengthening (including AYUSH)

C. NDCP Flexipool

- National Vector Borne Disease Control Programme (NVBDCP).
- National Leprosy Eradication Programme (NLEP).

D.NCD Flexipool

- National Programme for control of Blindness and Vision Impairment (NPCB & VI)
- National mental Health Programme (NMHP)
- National Programme for Health care and the elderly (NPHCE).

- National Tobacco Control Programme (NTCP).
- National programme for prevention and control of Diabetes, Cardiovascular Disease and Stroke (NPCDCS).
- Pradhan Mantri National Dialysis Programme (PMND).
- National Programme for Climate Change and Human Health (NPCCHH).
- National Oral Health programme (NOHP).
- National Programme on Palliative Care (NPPC).
- National Tuberculosis Elimination Programme (NTEP).
- National viral Hepatitis Control Programme (NVHCP).
- National Rabies Control Programme(NRCP).
- National Programme for prevention and control of Fluorsis(NPPCF)
- National Programme for prevention and control of Deafness (NPPCD).

E. Covid 19

F. NUHM Flexipool.

In addition to the above programmes covered under the umbrella of NHM, the following Non NHM Grants are also handled by the State as well as District Health Societies:

- ASHA State Budget

2. ***Institutional and Funding Arrangements:*** For the implementation of the above programmes, MoHFW has required the creation of an Integrated Health Society at State and District levels (registered as a legal entity at the State and District under the national or state societies registration Act). This is against the earlier arrangement of having distinct legal units (societies) for each programme/scheme. Such integrated State Health Society (SHS) works in close coordination with the Directorate of Health & Family Welfare and District Health Societies (DHS) work in coordination with the District Collector and District CMO. Program implementation is done through its District Chief Medical Officer's office, Blocks, Community Health Centres (CHCs), Primary Health Centres (PHCs), Sub- Centres (SCs) and Village Health Sanitations & Nutrition Committees (VNHSCs). Certain activities may be managed at the State level such as drug procurement, IEC, civil works, training using specialized entities such as PHSC, SIHFW, IEC Bureau, PWD, the Directorate of Health and municipal corporations for the urban health components. In addition funds are also released to NGOs and private entities under public private participation arrangements.
3. ***Funding & Accounting Arrangements:*** Funds for the various programs are transferred to the States from the Government of India in the form of Grants-in-Aid to SHS on the basis of respective State Programme Implementation Plan (SPIPs) and approved Annual Work Plans which are prepared on the basis of District Health Action Plans (DHAP) of each of the districts in the State. Under the umbrella of the integrated SHS/DHS each program has separate bank accounts, maintains separate books of accounts and other financial records as required under each program and also submit separate financial activity reports at varying frequencies to the respective monitoring unit in MOHFW (GOI).
4. ***Financing by Development Partners/ Donors:*** Some of the programs are supported by development partners such as the World Bank, DFID, UNFPA, GFATM etc for which grant/ credit agreements have been entered into by GoI with the respective development partners. Compliance with specific fiduciary requirements of the development partners will additionally need to be reported by the auditors. Copies of the legal agreements and other project documents will be provided to the auditors.

Section II

Objective of audit services: Concurrent audit is a systematic examination of financial transactions on a regular basis to ensure accuracy, authenticity, compliance with procedures and guidelines. The emphasis under concurrent audit is not on test checking but on substantial checking of transactions. The key objectives of the concurrent Audit include:

- The objective of the audit is to ensure that the grant proceeds provided by MOHFW are used for purposes intended in line with approved PIPs and AWP of individual programs and that the annual financial statements are free from material mis-statements and the terms of the credit/ loan agreements of the development partners are complied with in all material respects.
 - The financial statements give a true and fair view of the Financial Position of the individual DHS/SHS and Consolidated District and State Health Societies at the end of each fiscal year and of the funds received and expenditure incurred for the accounting period ended March 31, 2023.
 - To ensure voucher/ evidence based payments to improve transparency.
 - To ensure accuracy and timeliness in maintenance of books of accounts.
 - To ensure timeliness and accuracy of periodical financial statements.
 - To improve accuracy and timeliness of financial reporting especially at sub-district levels.
 - To ensure compliance with laid down systems, procedures and policies.
 - To regularly track, follow up and settle advances on a priority basis.
 - To assess & improve overall internal control systems.
5. **Standards:** The audit will be carried out in accordance with **Engagement & Quality Control Standards (Audit & Assurance Standards)** issued by the Institute of Chartered Accountants of India in this regard. The auditor should accordingly consider materiality when planning and performing (except where a certain minimum coverage of implementing units is specified) the audit to reduce the risk to an acceptable level that is consistent with the objective of the audit. In addition the auditor should specifically consider the risk of material misstatements in the financial statements resulting from fraud.
6. **Scope & Coverage of audit:** In conducting the audit special attention should be paid to following:
- a) Funds have been spent in accordance with the condition laid down by the Department of Health & Family Welfare, Government of India from time to time with due attention to economy and efficiency, and only for the purpose for which the financing was provided. Counterpart contribution from State Government, where required has been provided.
 - b) Goods and services financed have been procured in accordance with the relevant procurement guidelines issued by the GoI. However, for various programmes, special attention must be paid to the requirements of the agreement between GoI and development partners (such as for RCH, RNTCP, IDSP and NVBDCP etc.). For such externally funded programmes, auditor must satisfy that all expenditure, including procurement of goods and services have been carried out as per the procurement manual of the individual programmes and guidelines issued by the Programme divisions of GoI and have all the necessary supporting documentation.
 - c) All necessary supporting documents, records and accounts have been kept in respect of the project
 - d) Accuracy is ensured in maintenance of books of account and these are maintaining on a timely basis;
 - e) Advances are tracked, followed up and settle on a priority basis;
 - f) Exclude advances being shown as expenditure in the FMRs;
 - g) Bring accuracy to the monthly/quarterly Financial Monitoring Reports based on books of accounts;
 - h) Ensure voucher/evidence based payments to improve transparency;
 - i) Enable timely and accurate submission of financial MIS to the management;
 - j) Improve the accuracy and timeliness of financial reporting from sub-District levels; and
 - k) Improve the internal control systems in the society.
- c) Make field visits to all the Blocks in the district and incorporate the observations in their Audit Report for each quarter.

The scope of work for Concurrent Auditor is as follows:-

- The audit of State Health Society will cover all the programmes being run by State Health Society.
- The audit of District Health Society will cover all the programmes being run at District and Blocks.

For State Health Society

- Audit of the SHS accounts covering all the programmes, NDCPS and NCDs and expenditure incurred by SHS, NPCDS and NCDs.
- Audit of cash Book, vouchers, all other records maintained by SHS, NDCP and NCD Programmes.
- Audit of procurement done by State Health Society and other programmes.
- Verification of monthly FMRs with Books of Accounts.
- Audit of Advances at the SHS level, NPCDs and NCDs Programmes.
- Audit of the Provisional Utilization Certificates sent to GoI.
- Comparison between financial and physical performance and analysis.
- Vetting of the State ATRs and providing observations thereon.
- Preparation of Quarterly Executive Summary to be sent to GoI in the prescribed format (to be provided later).
- Submission of Consolidated audit Report of State covering all the programmes.
- Preparation and Submission of certified copy of Balance Sheet of each Quarter of State and District Health Societies.
- Audit of statutory compliance i.e. TDS, GST etc. and labour law.
- Submission of report regarding maintaining of accounts in the Tally ERP9 Software and PFMS Software.
- Any other evaluation work, as desired by the State Audit Committee.

For District Health Society:-

- Monitoring timely submission of the District Concurrent Audit reports covering all the programme, NPCDs and NCDs.
- Detailed analysis and compilation of the District Concurrent Audit reports.
- Vetting of District and Blocks ATRs and providing observations thereon.
- Audit of procurement done by District Health Society and Blocks including all other programmes.
- Audit of the DHS and Blocks Books of accounts covering all the programmes, NPCDs, NCDs and expenditures incurred by the DHS and Blocks covering all the programmes.
- Audit of Financial Statements of DHS and Blocks covering all the programmes NPCDs and NCDs.
- Preparation of Quarterly Executive Summary of District Health Societies covering all the programme NPCDs and NCDs (to be provided later).
- Review and analysis of the Age wise and Party wise Advances Report at District and block level.
- Comparison between financial and physical performance and analysis.
- Visits to sample blocks (in a way to cover all blocks in a year) and peripheral units.
- Audit of statutory compliance i.e. TDS, GST etc. and labour law compliances of District Health Society and Blocks.
- Submission of report regarding maintaining of accounts in the Tally ERP9 Software and PFMS Software.
- Any other evaluation work, as desired by the District Audit Committee.

Coverage of blocks:-

For block level audit the auditor should conduct the audit as follows:-

- For districts containing upto 6 blocks, it is mandatory that all blocks are covered every month. For districts consisting of more than 6 blocks, it is mandatory to cover 75% of block every month.

- The plan for audit of block should be devised in such a manner that districts having more than six blocks should be visited 8 times in the entire year and district having upto 6 or less than 6 blocks should be visited every month of Financial year.

7. Contents of Audit

Concurrent Audit Report of a “State Health Society” should contain the following financial statements and documents: -

- Duly filled in Checklist provided in the guidelines(to be provided later)
- Financial statements as prescribed
 - Quarterly Audited Trial Balance of SHS.
 - Quarterly Audited Receipts & Payments A/c of SHS
 - Quarterly Income & Expenditure A/c of SHS.
 - Quarterly Balance Sheet of SHS.
 - Monthly Audited and certified SoE of SHS.
 - Monthly Bank Reconciliation Statement of State Health Society.
 - List of outstanding advances of State.
- Observations and Recommendations of Auditor – particularly covering the following aspects:
 - Deficiencies noticed in internal control
 - Suggestions to improve the internal control
 - Extent of non-compliance with Guidelines issued by GOI & State.
- Action Taken by State Health Society on the previous audit observations, along with his observations on the same
- Action Taken by District Health Society on the previous audit observations, along with his observations on the same

Concurrent Audit Report of a “District Health Society” should contain the following financial statements and documents: -

- Duly filled in Checklist provided in the guidelines(to be provided later)
- Financial statements as prescribed
 - Quarterly Audited Trial Balance of DHS.
 - Quarterly Audited Receipts & Payments A/c of DHS
 - Quarterly Income & Expenditure A/c of DHS.
 - Quarterly Balance Sheet of DHS.
 - Monthly Audited and certified SoE of DHS and Blocks.
 - Monthly Bank Reconciliation Statement of DHS and Blocks.
 - List of outstanding advances of DHS and Block.
- Observations and Recommendations of Auditor – particularly covering the following aspects:
 - Deficiencies noticed in internal control
 - Suggestions to improve the internal control
 - Extent of non-compliance with Guidelines issued by GOI & State.
- Action Taken by State Health Society on the previous audit observations, along with his observations on the same

8. Reporting and Timing

The Concurrent Audit of SHS and DHS will be carried on monthly basis. The monthly Audit Report of SHS and DHS should be submitted by the Auditor by 15th of following month in the O/o State Health Society and District Health Society both in Hard and Soft copy along with audited SOE of the respective level. The Quarterly Audit Reports i.e Trial Balance, Receipts and Expenditure Accounts, Income and

Expenditure Accounts & Balance Sheet should be submitted to State Health Society by 15th of following Quarter.

Section – III

Eligibility Criteria:

- I. The firm must be empanelled with C & AG and ICAI for the FY 2022-23, without which the application of the firm would not be considered.
- II. Firms must qualify following minimum criteria:

SN	Particulars*	Minimum Criteria
1.	Number of Full Time Fellow Partners associated with the firm for not less than 6 years (As per Certificate of ICAI as on 01.01.2022)	2
2.	Turnover of the firm (Average Annual Turnover in last three financial yrs. ending 31.03.2022)	Minimum Rs.50 Lakhs
3.	No. of Years of Firm Existence	10 Yrs.
4.	No. of assignments of Statutory Audit/Concurrent or Internal Audit of Corporate/PSU/Listed companies entities except Bank Branch Audit having turnover of not less than Rs. 200 crores in any one of the last 3 financial years.	2
5.	No. of assignments: Experience of Statutory Audit/ Concurrent Audit/Internal Audit of Externally Aided Projects/ Social Sector Projects (other than Audit of Charitable Institutions & NGOs) in any one of the last 3 financial years.	1
6	No of assignments : Experience of Statutory Audit/ Concurrent audit/Internal Audit of Charitable Institutes/Society/Trusts/NGO's having turnover gross receipts of not less than 5 crores in any one of the last 3 financial years.	1

- a) Any firm not qualifying these minimum criteria & need not to apply as their proposal shall be summarily rejected.
- b) **Supporting Documents for Eligibility Criteria:** Following supporting documents must be submitted by the firm along with the technical proposal:
 - i. For S.No. 1 certificate of empanelment with C &AG for the FY 2022-23.
 - ii. For S.No. 2 & 3 above, the firm must submit an attested copy of Certificate of ICAI as on 1.1.2022 along with copy of partnership deed.
 - iii. For S.No. 2, the firm must submit, a copy of the balance sheet and other financial statements for the last three years i.e FY 2018-19 to FY 2020-21.
 - iv. For S. No. 4, 5 & 6, the firm must submit a copy of the appointment letters from the auditee organizations. Branch Audit of any Bank shall not be considered while taking into account the total number of assignments. Only Concurrent Audit/Internal Audit assignments will be considered.
- III. The firm or any partners of the firm should not be black listed or removed by any PSUs or Government. Company or any other organisation in respect of any assignment or behaviour. [Self attested affidavit on Rs.100/- stamp paper to be given in this regard by the authorised person of the firm].
- IV. The firm should have at least one working Head/Branch office in Punjab and another working Head/Branch office in the Tri City i.e. Chandigarh, SAS Nagar (Punjab) and Panchkula (Haryana)

having separate GST registration no as on 01.01.2022 for both the offices and average turnover of 6 lacs for the last three FY 2018-19 to 2020-21 for each office.

- V. The firm submitting their proposal for Concurrent audit at SHS/DHS should not hold any other assignment in the State Health Society or District Health Society.
- VI. EMD amounting to Rs.50,000/- is to be deposited with Technical proposal by Demand Draft in favour of State Health Society Punjab.

Appointment & Selection of Auditors

- Appointment and selection of the concurrent auditor will be done by the State Audit Committee through Open Tender System. The tender document would be advertised through a central advertisement at the state level.
- Interested firms should submit their bids in two parts- Technical and Financial bids. Both the bids should be submitted in two separate sealed envelopes, which should be opened in meeting of the audit committee.
- The audit committee would first open the technical bids and evaluate them on the basis of the criteria as prescribed in the guidelines.
- Financial bids of only technically qualified firms would be opened by the committee and audit should be awarded to the lowest bidder.
- If the lowest financial bidder does not agree to undertake the audit work within the prescribed audit fee or the audit committee deems it unfit for any reason (reasons to be recorded in writing), the job may be awarded to the next lowest financial bidder if the firm agrees to undertake the job. However, the work may only be awarded to a technically qualified bidder.

Section IV - Guidelines for Submitting the Proposals:

A. General Guidelines:

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

- i. 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 FOR THE F/Y 2022-23” 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 Society shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. If the Financial Proposals are not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.
- ii. **Team Composition & Number of Teams for the assignment:** As there are a large number of districts and implementing entities below a district, a minimum sample coverage and time bound completion schedule, more than one team will need to be constituted for the audit. The team(s) for the assignment (including those for audit of district & sub district level implementing units) must be headed by atleast a semi-qualified Chartered Accountant with one support staff (Junior Auditor). The number of teams may be constituted in a manner that each team does not have responsibility for audit of more than 6 Blocks in a District and 6 districts in the State. The technical proposal must clearly elaborate on the team composition for the audit separately as given in **T-4**.

- iii. **Single Proposal:** A firm should submit only one proposal. If a firm participates or submits more than one proposal, all such proposals shall be disqualified.
- iv. All agencies must comply with the Technical Specification, General Conditions and Format/Requirements for Technical and Financial proposal.
- v. The Technical Proposal shall be marked “ORIGINAL” as appropriate.
- vi. Financial proposals submitted by the firm should be valid for 6 months from the date of submission of the proposal by the firm.
- vii. Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorised signatory of the firm.
- viii. All blank spaces in the financial proposal must be filled in completely where indicated, either typed or written in ink.
- ix. State Health Society (SHS) reserve the right to accept or reject any application without giving any explanation and change the evaluation criteria as per its requirements in the interest of the organisation.
- x. The Chartered Accountant Firms applying for the Audit has to submit their application in the **O/o Mission Director, PRAYAS Building, 5th Floor, Sector 38 B**. Appointment for the Audit of State Health Society will be done by the SHS.
- XI. Audit assignments or other assignment like consultancy assignment, Accounting work assignment etc. other than Statutory Audit/Internal Audit/Concurrent audit will not be considered in the Technical Evaluation.
- XII. Proposal should be properly tagged/bind with proper indexing and page numbering. Loose proposal or proposal without paging will be straight forward rejected.
- XIII. EMD of Rs.50,000/- will be returned to Successful bidder after receipt of Performance Security.

B. Technical Proposal:

- i. Letter of Transmittal (*Form T-1*)
- ii. Details of the Firm along with Details of Partners (*Form T-2*),
- iii. Details of Qualified Staff & Semi-qualified Staff (*Form T-3*),
- iv. Details of the Team Composition for audit (*Form T-4*): Firm must provide the structure and composition of the teams which shall be deputed (see point ii of the general guidelines above) for conducting the audit in the SHS and DHS. Firm should provide the Curriculum Vitae of the key personnel (experts) who would be leading the individual audit teams and the overall audit assignment
- iv. Description of Approach, Methodology & Work Plan for performing the Audit of SHS & DHS (*Form T-5*)
- v. Brief of the relevant experience (*Form T-6*)
- vi. Comments & suggestions on the TOR (*Form T-7*)
- vii. EMD of Rs.50,000/- by Demand Draft in favour of State Health Society Punjab.

C. Financial Proposal:

- i. The financial bid shall be submitted only for the professional (audit) fee to be charged by the firm for the audit in a sealed envelope. This audit fee shall be inclusive of the TA/DA and taxes as applicable. The Financial Bid shall be submitted as per **Form F-1**.
- ii. Percentage (or proportion) of funds involved/turnover shall not be basis for quoting the audit fee.

Appendix

Performance Security.

- The successful bidder needs to deposit Performance Security of Rs. 1,00,000/- within seven days from the receipt of award in form of Demand Draft in favour of State Health Society Punjab. Failing which the EMD will be forfeited. This performance security amount will be refunded after satisfactory completion of contract period. The performance security amount will not carry any interest.
- If firm fails to perform the contract as per terms and conditions of contract the entire Performance Security will be forfeited.

PENALTY CLAUSE

A. The State Audit Committee may impose any amount of penalty in the monthly audit fees if monthly / quarterly concurrent audit report is not submitted by the concurrent auditor in stipulated period unless there are some unavoidable circumstances for such delay. Such reason must be communicated in writing.

B. In case Concurrent auditor at State Level fails to complete the work as per RFP/TOR or instructions given by the State Audit Committee or latter on if any major point/ serious irregularities pointed out by the Statutory Auditor/ Divisional / State level Audit Team which the concurrent auditor expected to report in their report, then State Audit Committee may decide to black list the firm for the audit of National Health Mission work for three years. The performance security laying with SHS will be forfeited.



OFFICE OF MISSION DIRECTOR, NATIONAL RURAL HEALTH MISSION, PUNJAB
PRAYAAS BUILDING, SEC. 38 B CHANDIGARH, Tel.No. 0172-4012011-12

Bid Ref. No. -

- RFP can be obtained from (Date)** : **23.06.2022**
- Last date for availability of RFP Document** : 06.7.2022(upto 5:00 PM) from State Head Quarter NHM Punjab.
- Pre Bid Conference (Date/Time and Venue) for SHS & DHS** : on 27.06.2022 at 11:30 AM
Committee Room, NHM, 5th Floor, Paryaa Building, Sec-38 B, Chandigarh
- Last date & time for receipt of Bids** : 07.07.2022 (upto 12:00 PM)
- Date of opening of Technical bid** : 07.07.2022 at 3:00 PM
- Date of opening of Financial Bid** : 14.07.2022 at 12:30 PM
- Place for opening of bids for SHS** : Committee Room, NHM, 5th Floor, Paryaa Building, Sec-38 B, Chandigarh.
- Address for Communication for SHS** : Mission Director, State Health Society, Punjab, NHM, 5th Floor, Paryaa Building, Sec 38-B, Chandigarh.

Letter of Transmittal

To,

Mission Director
State Health Society

Dear Sir,

We, the undersigned, offer to provide the audit services for [*Insert title of assignment*] in accordance with your Request for Proposal dated [*Insert Date*]. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

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 prices quoted by us in the Financial Proposal (Form F-1) are valid till six months from the date of submission of the quotation. 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 State Health Society 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 Agency/Firm*] to submit the proposal and to negotiate on its behalf.

Yours faithfully,

()

Particulars/Details of the Firm

SN	PARTICULARS	Supporting Documents required to be submitted along with this Form
1	Name of the Firm	
2	Addresses of the Firm:	
	Head Office	Phone No: Fax No: Mobile of Head Office In-charge:
	Branch Office 1,2,3..... (Particulars of each branch to be given)	Phone No: Fax No: Mobile of Branch Office In-charge:
3	Firm Income Tax PAN No.	Attach copy of PAN card
4	Firm service Tax Registration No.	Attach copy of Registration
5	Registration No. with ICAI	
6	Empanelment No. with C & A G	Attach proof of empanelment with C&AG for FY 2022-23.
7	No. of Years of Firm Existence & Date of establishment of Firm	Attach copy of Partnership Deed and Copy of ICAI Certificate.
8	Turnover of the Firm in last three years	Attach balance sheet of the last three years i.e. FY 2018-19 to FY 2020-21.
9	Annual Average Turnover with Break-up of Fee towards Audit, Income Tax matters and others (Specify)	Provide a Chart
10	<p>Audit Experience of the Firm:</p> <ol style="list-style-type: none"> 1. No. of assignments of Concurrent or Internal Audit of Corporate/PSU/Listed companies entities except Bank Branch Audit having turnover of not less than Rs. 200 crores in any one of the last 3 financial years. 2. No. of assignments: Experience of Concurrent Audit/Internal Audit of Externally Aided Projects/ Social Sector Projects (other than Audit of Charitable Institutions & NGOs) in any one of the last 3 financial years. 3. No of assignments : Experience of Concurrent audit/Internal Audit of Charitable Institutes/Society/Trusts/NGO's having turnover gross receipts of not less than 5 crores in any one of the last 3 financial years. 	<p>Copy of the Offer Letter & the Fee Charged.</p> <p>Copy of the Offer Letter & the Fee Charged.</p>
11	<p>Details of Partners: Provide following details:</p> <ul style="list-style-type: none"> • Number of Full Time Fellow Partners associated with the firm for not less than 6 years (As per Certificate of ICAI as on 1.01.2022) • Name of each partner, • Date of becoming ACA and FCA • Date of joining the firm, • Membership No., • Qualification 	Attested copy of Certificate of ICAI as on 1.01.2022

	<ul style="list-style-type: none">• Experience• Whether the partners is engaged full time or part time with the firm.	
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A. Details of Qualified Staff (Chartered Accountants)*(Please provide attested copy of Certificate of ICAI as on 01.01.2022 for each qualified staff*

S. No.	Name of Staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Membership No.	Relevant Experience
1						
2						

B. Details of Semi-qualified Staff (including Article Clerks etc)

S. No.	Name of Staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Relevant Experience	Remarks
Semi Qualified Staffs:						
1						
2						
..						
Article Clerks:						
1						
2						
..						
Others						
1						
2						
..						

Details of Structure & Composition of Team and Task Assignments – DEPLOYED FOR Proposed Assignment

Each team will constitute of minimum 2 members with qualifications as below:

Name	Position/ Team Number	No's (Minimum)	Educational Qualification	Key Responsibilities or Task Assigned	Relevant Experience	Number of Man days estimated for task completion
Semi- Qualified (CA Inter)	Individual District Team Leader	1				
Support Staff (Jr Auditors)	Support to District/ State team lead	1				

Description of Approach & Work Plan for performing the Audit of SHS & DHS

- A. **Technical Approach** : the firm should explain the understanding the objectives of the assignments, approach to the services, methodology for the carrying out the activities and obtaining the expected output, and the degree of the detail of such output.

- B. **Work Plan**: The firm should propose the main activities of the assignment, their content and duration, phasing and inter-relations, milestones (including interim approval by the SHS), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach showing understanding of the TOR and ability to translate them in to a feasible working plan.

Brief of Relevant Experience:

A. Experience of audit in relation to Externally Aided projects/ Social Sector Projects (Excluding the audit of Charitable Institutions and NGOs).						
S. No.	Name of the Auditee Organization	Grant-in-aids handled of the auditee organization	Type/Nature of Assignment	Scope & Coverage of the assignment	Duration of Completion of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organization (Pl attach a copy of the letter)

B. Experience of audit in Corporate Sector/PSUs/Limited companies.						
S. No.	Name of the Auditee Organization	Turnover of the Auditee organization	Type/Nature of Assignment	Scope & Coverage of the assignment	Duration of Completion of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organization (Pl attach a copy of the letter)

C. Experience of audit of charitable institutes/Society/Trust/NGO.						
S. No.	Name of the Auditee Organization	Turnover of the Auditee organization	Type/Nature of Assignment	Scope & Coverage of the assignment	Duration of Completion of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organization (Pl attach a copy of the letter)

Comments and Suggestions on the Terms of Reference

[Firm can present and justify here any modifications or improvements to the Terms of Reference which can significantly improve performance in carrying out the assignment (such as deletion of some activity which the firm considers unnecessary, adding other activities of significance, re-organizing the activities, additional human resource required at various levels etc. Such suggestions should be concise and to the point, and incorporated in the proposal]

FORMAT FOR FINANCIAL BID for Audit of State Health Society and 23 Districts:-

Item or Activity	Total Amount (in Rupees)
AUDIT FEE (Inclusive of TA/DA and GST) for the F/Y 2022-23 (Monthly Audit). <u>Note: Percentage of funds involved shall not be a basis of quoting the Audit Fee.</u>	Both in Numeric and in Words. Rs. _____/- (Rupees _____).

Breakup of the Audit Fee quoted above must be provided as per following format:*

SN	Particulars	Amount
		2022-23
1	Audit of State Headquarter, 23 DHSs, Blocks and other state and district level implementing units	
	TOTAL	

* To be arrived based on the estimated man days for each category of staff proposed for the assignment.

ELIGIBILITY CRITERIA & TECHNICAL EVALUATION:

- i. Supporting Documents for Eligibility Criteria:** Following supporting documents must be submitted by the firm along with the technical proposal:
- For S. No. 1 certificate of empanelment with C & AG for FY 2022-23.
 - For S.No 2 & 3 above, the firm must submit an attested copy of Certificate of ICAI as on 01.01.2022 along with copy of partnership deed.
 - For S. No. 2, the firm must submit, a copy of the balance sheet for the last three years or Certificate issued by any other C.A. firm certifying the turnover of the firm during last three years i.e. FY 2018-19 to 2020-21.
 - For S. No. 4, 5 & 6 the firm must submit a copy of the appointment letters from the auditee organizations.
 - For eligibility criteria IV copy of proof for average turnover of 6 lacs for each office (One at Tri City and One in the Punjab) for the last three FY 2018-19 to 2020-21.

Selection Methodology:

Selection of Firm will be finalized as follows:-

First Stage:

- i. Only Technical Proposals shall be opened first for all the firms.
- ii. Thereafter, a technical evaluation shall be carried as per the evaluation parameters provided in the “Eligibility Criteria & Technical Evaluation” section.

Second Stage:

- i. Financial proposals shall be opened only for those firms who have Qualified on Technical Parameters

Award of Contract:

On completion of selection process, the firm selected shall be awarded the contract of audit of SHS & DHS by issuing the Letter of Award (LOA). The firm should execute a Contract with the State Health Society (SHS) within 2 weeks of the award of the issuance of LOA. The firm shall enter in to an agreement with the SHS as per Form C-1.

