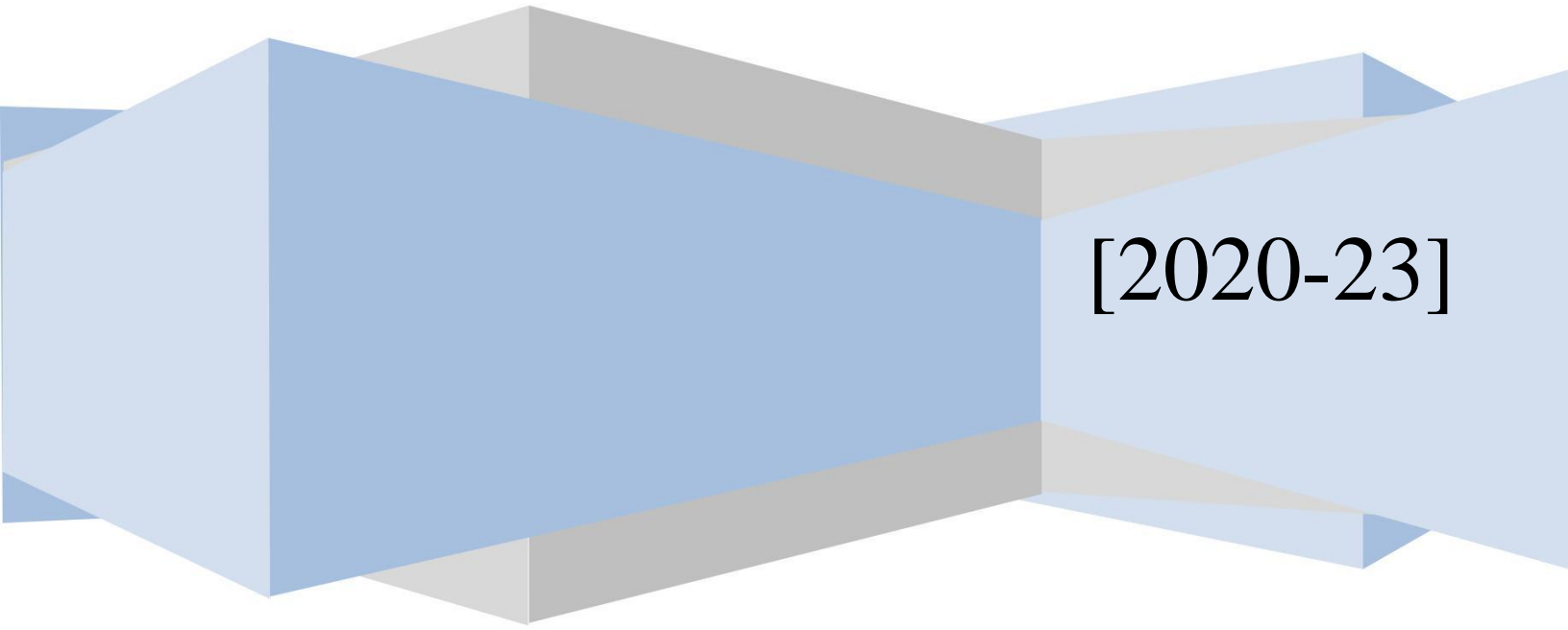


# **Request for Proposal (RFP)**

**For Appointment of Auditor for Special Audit of ECRP- I, II & Covid-19 Vaccination for F. Y. 2020-21, 2021-22 & 2022-23.**



[2020-23]

## NATIONAL HEALTH MISSION

The State Health Society Maharashtra (SHSM) invites Proposal for special audit of ECRP- I, II & Covid – 19 Vaccination for the period 2020-21 to 2022-23 from **Chartered Accountants firms empanelled with C & AG and eligible for conducting audit of major PSUs for the financial year 2022-23.**

The detailed Request for Proposal (RFP) comprising Background, Terms of Reference (ToR) and Guidelines for submitting the proposal can be either downloaded from the website [www.nrhm.maharashtra.gov.in](http://www.nrhm.maharashtra.gov.in) and [www.arogya.maharashtra.gov.in](http://www.arogya.maharashtra.gov.in) or this can be collected from the O/o. SHSM between 11.00 am to 5.00 pm on working days.

### **Important Dates:**

- i. Last date for collection of RFP from Office of SHS: - 21/09/2023 up to 1.00 p.m.
- ii. Date for pre-bid conference: - 13/09/2023 at 3.00 p.m.
- iii. Last date for submission of Proposal to SHS: - 21/09/2023 up to 2.00 p.m.
- iv. Date of opening of Technical bid: - 21/09/2023 at 4.30 p.m.

Venue for Pre-bid Conference: Pre-bid Conference would be held at the O/o. State Health Society Maharashtra, 308, 3<sup>rd</sup> Floor, Arogya Bhavan, St. Georges Hospital Compound, Nr. CSMT Station, Mumbai – 400001. (Phone No:- 02222717500)

(Sd/-)

**Commissioner, Health Services &  
Mission Director, NHM, Maharashtra**

## **REQUEST FOR PROPOSAL (RFP)**

State Health Society Maharashtra, seeks to invite Proposals from *Chartered Accountant (CA) firms those are empanelled with C&AG and eligible for major Public Sector Undertakings (PSU) audits for the year 2022-23* for conducting the special audit of ECRP I, II & Covid-19 Vaccination at Districts, Corporations, DDHSs, HFWTCs, Civil Hospitals, Blocks & its allied units like RHs, SDHs, PHCs etc. under the National Health Mission for the F.Y. 2020-21, 2021-22 & 2022-23.

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

### **Section- I**

#### **A. Background:**

National Health Mission is one of the implementing agencies of the India for COVID-19 Emergency Response and Health Systems Preparedness Project (ERHSPP) in the States/UTs through State Health Societies (SHS). The Project seeks to prevent, detect and respond to the threat posed by COVID-19 and strengthen health system preparedness. Under the project, only actual expenditures incurred (including mobilization advances paid to contractors/vendors as per the terms of agreement) by the implementing agencies will be eligible for financing by the World Bank. The implementing agencies will submit separate reporting the actual expenditure for the Project during such period for reimbursement by the Bank. The same will be subject to reconciliation with audited expenditures reported for the period.

#### **B. Institutional and Funding Arrangements:**

For the implementation of the NHM programmes, the Integrated Health & Family Welfare Societies at the State, District and Corporation level are established (registered as a legal entity under Societies Registration Act, 1860). State Health Society (SHS) works in close coordination with the Directorate of Health and District/ Corporation Health Societies (DHSs) work in coordination with the District Collector / Commissioner of Corporation and District Chief Executive Officer (CEO/MOH). Program implementation is done through its District/ Corporation Chief Executive Officer's/ MOH office, Blocks, Community Health Centers (CHCs), Primary Health Centers (PHCs), Sub- Centers (SCs), Rugna Kalyan Samities (RKS) UPHC & UCHC and Village Health Nutrition Sanitation Committees (VHNSC). Certain activities may be managed at the State level such as drug procurement, IEC, civil works, training using specialized entities such as SIHFW, IEC Bureau, PWD, the Directorate of Health and Municipal Corporations for the urban health components.

### **C. Funding & Accounting Arrangements:**

Funds for the various programs under NHM are transferred from the Pay & Accounts Office of MoHFW to the State Treasuries and then from Treasuries to the SHS functioning in the State. Government of India transfer funds in the form of Grants-in-Aid to State treasuries through RBI on the basis of respective State Programme Implementation Plans (SPIPs) and approved Annual Work Plans which are prepared on the basis of District Health Action Plans (DHAPs) of each of the districts in the State. Under the umbrella of the integrated SHS/DHS each program has separate bank account, separate books of accounts and other financial records as per the requirements of each program and also submit separate financial activity reports at varying frequencies to the respective monitoring units in MoHFW (GOI).

### **Financing by Development Partners/ Donors:**

Some of the programs of NHM are also supported by development partners such as the Asian Development Bank (ADB), The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) /World Bank, etc. for which credit agreements have been entered into by GOI with the respective Development Partners. AS the Covid 19 pandemic continues to evolve, the Ministry to support the States /UTs through several mechanisms including by providing additional resources to manage the pandemic as well as to develop strong and resilient public health systems to deal with such situation. You may recall that the first tranche of resources under the India Covid-19 emergency response and Health System Preparedness package (Covid package) was released to the States/ UTs in April, 2020. The indicative Resources under first tranche and second tranche (where applicable) is given in the GOI guidelines dt.06.08.202. Compliance with specific fiduciary requirements of the Development Partners will additionally need to be reported by the auditors. India Covid-19 Emergency Response and Health System Preparedness Project funded by World Bank (Credit No.9086-IN) & (AIIB) Asian Infrastructure Investment Bank (Loan No.A11B-C1660 COFN).

### **D. Objective and scope of audit services:**

1. The financial statements give a true and fair view of the Financial Position of the individual unit and Consolidated District / Corporations including its all allied units at the end of each financial year and of the funds received and expenditure incurred for the accounting period.
2. The funds were utilized for the purposes for which they were provided.
3. The audit will be carried out in accordance with the Accepted Indian Auditing Standards and will include tests and verification procedures as the auditors deem necessary.

4. External Auditors to verify all funds have been used in accordance with the established rules and regulations of the project and only for the purposes for which the funds were provided.
5. Goods and services financed are in adherence to the World Bank's guidelines for procurement and/or Government's rules and regulations and as per the established rules and procedures & guidance note issued by the Ministry/SHSM/GoM.
6. Appropriate supporting documents, records and books of accounts relating to all activities have been kept. Clear linkages should exist between the books of accounts and the financial statements presented.
7. The financial statements have been prepared by the management in accordance with applicable accounting standards and give a true and fair view of the financial position of Project and of its receipts and expenditures for the period ended on that date.
8. Comprehensive assessment of the adequacy and effectiveness of the accounting and overall internal control system to monitor expenditures and other financial transactions.
9. Express an opinion as to reasonableness of the financial statements in all material respects.
10. Include in their reports opinion on compliance with procedures designed to provide reasonable assurance of detecting misstatements due to errors or fraud that are material in the financial statements.
11. In addition to the audit report, the auditors will provide the following:
  - a. Give comments and observations on the accounting records, procedures, systems and controls that were examined during the course of the audit.
  - b. Identify specific deficiencies and areas of weakness in systems and controls and make recommendations for improvement.
  - c. Report on the implementation status of recommendations pertaining to previous period audit reports.
  - d. Communicate matters that have come to their attention during the audit which might have a significant impact on the sustainability of the organization.
  - e. Auditors will verify the Procurements under Emergency Response COVID-19 & Vaccination which require to be carried out as per Government rules and procedures. In addition, auditors will also verify that anti-corruption undertakings of the World Bank and AIIB have been

signed by the seller/contractor/consultant as per the format prescribed by Ministry.

- f. Auditor will carry out detailed audit of procurements and representative of methods/agencies to be checked for adherence to prescribed guidelines.

**Deliverables:**

1. Auditor will have to verify the Statement of expenditures as per the FMR Codes designated for the project and its reconciliation with quarterly FMR submitted to SHS depicting the differences.
2. Auditor will issue a management letter specifying the weaknesses, if any, on matters requiring attention of the management.
3. Procurement audit reports in line with scope mentioned above.
4. Auditor to verify Utilization Certificate prepared by respective unit in Form 12C specifying the status of funds received, utilized and unspent balances along with a statement that all procurement procedures have been followed as per WB and AIIB while also certifying that undertaking for Anti-corruption have been signed for all contracts amounting for more than Rs. 3,00,000/- as per the guidance note issued by the Ministry time to time.

**Project components are outlined below:**

- Component 1: Emergency COVID-19 Response
- Component 2: Strengthening National and State Health Systems to support Prevention and Preparedness
- Component 3: Strengthening Pandemic Research and Multi-sector, National Institutions and Platforms for One Health
- Component 4: Community Engagement and Risk Communication
- Component 5: Implementation Management, Capacity Building, Monitoring and Evaluation
- Component 6: Contingent Emergency Response Component (CERC)

**E. 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. 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.

## Section- II

### Criteria for Selection of Auditors:

Firms must qualify following minimum criteria:

Sr. No.	Particulars	Minimum Criteria
1.	The firm must be empaneled with C&AG and must be listed as major PSU audit firm by C&AG for financial year 2022-23.	Mandatory
2.	The preference will be given to the firm having Head Office / Local Branch Office within the State Capital of the same State. i.e. Mumbai including MMRDA area for more than 3 years, the ( please refer marking column)	3 years
3.	The firm must have at least 5 full time fellow partners (FCA) for a period not less than 5 years as on date of advertisement.	5 FCAs
4.	The firm must have at least 5 Associate CAs (ACA) as on date of advertisement.	5 ACAs
5.	Existence of CA Firm	10 Years
6.	Average Turnover of the firm (Average turnover in last three financial years i.e. 2019-20, 2020-21 & 2021-22)	Minimum Rs.1.00 Crores
7.	No. of Concurrent / Statutory audit assignments of Corporate /PSUs entities: Experience of Internal/ Concurrent/ Statutory Audit of Corporate /PSUs entities other than Audit of Revenue or Tax audit/ Stock audit/Banks and Branch audit/NBFC audit/ Books writing or Consulting assignment and other than audit of NGOs/ Charitable Institutions except audit of NGOs engaged under Government / Government Funded Project during last 3 years. i.e. 2020-21, 2021-22 & 2022-23.	10
8.	No. of assignments of Externally Aided Projects/Social Sector Projects: Experience of audit of Externally Aided Projects/Social Sector Projects other than Audit of Revenue or Tax audit/ Stock audit/ Banks and Branch audit/ NBFC audit/ Books writing or Consulting assignment and other than audit of NGOs/ Charitable Institutions except audit of NGOs engaged under Government / Government Funded Project during last 3 years. i.e. 2020-21, 2021-22 & 2022-23. Firms having specific experience of the relevant assignment will be given priority.	5

**Any firm not qualifying all above mentioned minimum criteria need not apply as its proposal shall be summarily rejected.**

**Supporting Documents for Eligibility Criteria:** Following supporting documents must be submitted by the firm along with the technical proposal:

- i. For Sr. No. 1, the firm must submit an attested copy of Certificate of C&AG for the firm listed as major audit for PSUs for financial year 2022-23.
- ii. For Sr. No. 2, the firm must submit an attested copy of FIRM CARD issued by ICAI as on date of advertisement in support of the firm having its Head Office / Local Branch Office within the State Capital of the same State including MMRDA area for not less than 3 years.
- iii. For Sr. No. 3, 4 & 5 the firm must submit an attested copy of CONSTITUTION CERTIFICATE issued by ICAI as on date of Advertisement.
- iv. For Sr. No. 6, the firm must submit a copy of the Audited Balance Sheet & Profit & Loss Account for the last three years i.e. 2019-20, 2020-21 & 2021-22 duly certified by External Statutory Auditor.
- v. For Sr. No. 7 & 8, the firm must submit a copy of the appointment letters from the auditee organizations in support of assignments.
- vi. The originals of all supportive documentary evidences may be asked to furnish as and when called for its verification in case of selection to ensure about its authenticity & genuinely.

### **Section- III**

**Coverage of audit:** In conducting the audit special attention should be paid to the following:

- a. An assessment of adequacy of the project financial systems, including financial controls. This should include aspects such as adequacy and effectiveness of accounting, financial and operational controls; level of compliance with established policies, plans and procedures; reliability of accounting systems, data and financial reports; methods of remedying weak controls; verification of assets and liabilities and a specific report on this aspect would be provided by the auditor annually as part of the management letter;
- b. 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.
- c. Goods and services financed have been procured in accordance with the relevant procurement guidelines issued by the GOI/ State Government/ SHSM. However, for various programmes, special attention must be paid to the requirements of the agreement between GOI and Development Partners. Such requirements are available within the State/ District's concerned Program Offices. 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/ State Government/ SHSM and have all the necessary supporting documentation.
- d. All necessary supporting documents, records and accounts have been kept in respect of the project.



- e. Audit will cover 100% at all levels. All the vouchers pertaining to the health facilities will be available at the respective health facility for the purpose of audit.
- f. The Auditor may review the concurrent/ statutory audit reports and may consider material observations / findings while forming his opinion on overall internal control and truth & fairness of accounts/financial statements.
- g. The details of units are as under:-

Sr. No.	Units	Numbers
1	SHS H.Q.	2
2	Districts	34
3	Corporations	27
4	Civil Hospitals	34
5	General Hospital	4
6	HFWTCs	8
7	DDHSs	8
8	Blocks	355
9	PHCs	1858
10	RH	365
11	SDH	93
12	MCGM	1
13	IDSP-Pune	1
14	J.J. Hospital Mumbai	1
15	B.J. Medical Hospital & College, Pune	1
16	Haffkin Institute Mumbai	1
	Total units	2793

- h. The comparison between audited expenditure and expenditure reported in the FMR of 2020-21 till 2022-23 including Sanction wise UCs as per Form 12-C of GFR 2017 along with the reason for variations. 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.
- i. Report procurements which have not been carried out as per the procurement manual/ guidelines of the State/ GoI.
- j. Communicate matters that have come to the attention during the audit which might have significant impact on the implementation of the project; and
- k. Bring to Society's attention any other matter that the auditor considers pertinent.

### Reporting and Timing

- a) The State Health Society requires the special audit report of ECRP I, II & Covid-19 Vaccination within the period of next 3 months from the date of execution of contract agreement with the selected CA firm.
- b) **Penal provision on failure to complete the Audit on time:** In order to ensure timeliness on the part of the Auditor, if the State feels that in spite of providing all information, documents, and updated books of accounts, there is delay in submission of

Audit Report from the auditor, in such case the penalty on audit fees @ 5% per month from the due date of completion of audit will be charged. However, in case of delay in submitting the audit report due to unforeseen circumstances like flood, earthquake, election and pandemic or due to any administrative grounds etc., the Mission Director (NHM) of the State has the right to waive off the penalty.

## **Section- IV**

### **A. Guidelines for Submitting the Proposals:**

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

1. The Demand Draft drawn in favor of “State Health Society Maharashtra - Other” for an amount of Rs.3000/- (Rupees Three Thousand Only) payable at Mumbai towards Tender Fees which should be enclosed with the technical proposal along with form T-1.
2. The Demand Draft drawn in favor of “State Health Society Maharashtra - Other” for an amount of Rs.50,000/- (Rupees Fifty Thousand Only) payable at Mumbai towards Earnest Money Deposit (EMD) which should be enclosed with the technical proposal along with form T-1.
3. The proposals without Tender Fees and / or Earnest Money Deposit in the form of Demand Draft will be summarily rejected.
4. The details of Demand Draft should be mentioned in form T-1. The Tender Fee is not refundable.
5. In any case the demand draft for tender fees should not be attached with financial bid. If any bidder submits their demand draft with financial bid, then such proposals will be summarily rejected, considering that the demand draft with Technical bid not found attached and for which the State Health Society will not be responsible.
6. All agencies must comply with the Technical Specification, General Conditions and Format/Requirements for Technical and Financial proposal as mentioned in the RFP.
7. Financial proposals submitted by the firm should be valid for 6 months from the date of submission of the proposal by the firm.
8. Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorized signatory of the firm.
9. All blank spaces in the financial proposal must be filled in completely where indicated, either typed or written in ink.
10. The Concurrent and Statutory Auditors empanelled with NHM for the last 3 years i.e. 2020-21, 2021-22 and 2022-23 will not be eligible to submit their proposal for the said assignment to avoid the conflict of interest.
11. **In case the bidding firm is found not suitable on any reasonable ground like information by the Ministry / ICAI / any State / any audittee organization or if any etc., State Health Society (SHS) reserves the right to accept or reject any proposal or even can cancel the bid process without giving any reason or explanation at any stage.**

12. Firm shall have to depute appropriate number of teams for audit, timely submission of Audit Report and to attain quality of audit. Each team shall have to be headed by a qualified chartered accountant. If the required constitution of the team is not deployed the state may take appropriate action as it deems fit (including blacklisting of the firm) against the firm, keeping the Ministry and/ or ICAI informed.
13. **The auditors having the H.O/ Branch Office in the State capital of the state will be given preference for which the “Form U” to be submitted.**
14. 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 “PROPOSAL FOR SELECTION AS SPECIAL AUDITOR OF ECRP-I & II as well as “DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED.
15. The Society 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 ground for declaring the Proposal non-responsive/ invalid and will cause for summarily rejection of the proposal.
16. Considering huge number of units & 100% coverage till grass route level, the firm may apply in Joint Venture or in association with any other firm. However, the lead firm should fulfill the minimum eligibility criteria given in Section – III. The Joint Venture or in association with any other firm only will be considered for team composition only.
17. Team Composition & Number of Teams for the assignment: As there are a large number implementing entities below district/corporations, for coverage and time bound completion schedule, at least six teams will need to be constituted for the assignment. The team(s) for the assignment (including those for audit of district & sub district level implementing units) must be headed by a qualified Chartered Accountant / Cost Accountant with one semi-qualified Chartered Accountant / Cost Accountant and two support staff (Junior Auditors). The number of teams may be constituted in such a manner that, each team does not have responsibility for audit of more than (6) to (8) units in a district. The technical proposal must clearly elaborate on the team composition as given in T-3 & T-4.

**18. Technical Proposal will consist of:**

- a. Letter of Transmittal (**Form T-1**) along with tender fees and Earnest Money Deposit in the form of Demand Draft as stated in the RFP.
- b. Details of the Firm along with Details of Partners (**Form T-2**),
- c. Details of Qualified Staff & Semi-qualified Staff (**Form T-3**),
- d. Details of the Team Composition (**Form T-4**),
- e. Description of Approach, Methodology & Work Plan for performing the Audit of SHS & DHS (**Form T-5**),
- f. Details of experience (**Form T-6**)

## **19. Financial Proposal will consist:**

- a. The financial bid shall be submitted separately as prescribed in format **Form F-1** only.
- b. The firm has to quote consolidated audit fees giving a break up of professional (audit) fees including out of pocket expenses like Boarding / Lodging/ Food/ TA / DA etc. This audit fee shall be exclusive of the taxes as applicable.
- c. **Percentage (or proportion) of funds involved/turnover shall not be basis for quoting the audit fee, and in such case the proposal shall be rejected.**
- d. The estimated cost for the said assignment is expected to Rs.36.10 lakh excluding taxes and including all out of pocket expenses like Lodging, boarding, traveling, food etc. The CA firms have liberty to quote below the estimated cost. However such financial proposals should be properly justified by the firm and the State Health Society Maharashtra reserves the right to accept or reject such proposals if the rates are found to be abnormally low.
- e. The SHS reserves the right to change / cancel the evaluation / marking criteria without assigning any reason and to change in evaluation criteria as per requirement and in the interest of organization.
- f. In case the same audit fee is quoted by two or more CA firms, the selection of auditor shall be done considering the following factors (priority-wise):-
  - (i) Technical score.
  - (ii) Experience of audit of Government assignments including NHM.
  - (iii) Turnover of the firm.
- g. The selection will be done by selecting the firm having lowest quotation in Financial Bid (L-1) after finalizing the Technical proposal.
- h. SHS reserves right to ask justification in case of quoted rates.

## **B. Additional Instructions to Auditors**

1. Audit Report of the SHS shall include audit of all the transactions at each institute as stated above in the RFP.
2. Audit will include all the components of ECRP I, II & Covid-19 Vaccination.
3. The auditor appointed shall be **required to issue separate report for each unit which are described in section III.**
4. All necessary supporting documents, workings, records and accounts in respect of the project have to be submitted by auditors to director finance NHM.
5. The firm or any partners of the firm should not be black listed by any PSUs, Govt. Co., ICAI or any other organization in respect of any assignment or behavior. [Self-attested affidavit on Rs.500/- stamp paper is to be given in this regard by the authorized person of the firm].
6. The Firm engaged for past three consecutive years either by way concurrent/ statutory audit shall not be eligible to participate in the selection process.
7. The firm shall give an undertaking that the team members are proficient in the State's official language both oral and written on their own letter head.

8. The firm may apply in Joint Venture or in association with any other firm. However, the lead firm should fulfill the minimum eligibility criteria given in Section – III. The Joint Venture or in association with any other firm only will be considered for team composition only.
9. Auditor should plan the audit in such a way that the maximum numbers of facilities are covered during the visit and also to ensure about the completion of audit in a time bound manner.
10. After completion of the audit, the Exit conference of the auditors will be conducted in which the discussion on over all audit report / observations will be held.
11. The successful bidder has to submit 3 percent Performance Security of the total value of the contract in the form of Bank Guarantee of any Nationalized or Scheduled Commercial Bank. The expiry of Performance Bank Guarantee (PBG) should not be less than 10<sup>th</sup> months from the date of its execution with the banker. The PBG will be returned to the bidder after 1 month of the expiry of the PBG period. Failure of the successful bidder to comply with the requirement of Performance Security shall constitute sufficient ground for cancellation of award and forfeit of Earnest Money Deposit. The amount of EMD will be liable to be refunded to successful bidder only after receipt of PBG.
12. The EMD amount will be returned to unsuccessful bidders after completion of selection process. However, the amount of EMD may be forfeited in case of any breach of terms and / or conditions of the RFP and / or contract.

**Letter of Transmittal**

To,  
The Commissioner, Health Services and  
Mission Director, NHM,  
State Health Society Maharashtra,  
308, 3<sup>rd</sup> Floor, Arogya Bhavan,  
St. Georges Hospital Compound,  
Nr. CST Station, Mumbai – 400001.

Sir,

We, the undersigned, offer to provide the audit services for *State Health Society Maharashtra* in accordance with your Request for Proposal dated [*Insert Advertisement Date*] for selection. We hereby submitting our Proposal, having details about the firm and proposed audit fees in our individual CA firms Capacity/ in Joint venture or in Association with CA firm namely..... (Name of Joint venture CA firm). However we also declare that, the Joint venture or in Association with other CA firm is considered for team support only and our firm being the lead firm fulfills the minimum eligibility criteria.

We hereby submitting our proposal which includes this Technical Proposal sealed under a separate envelope along with a demand draft for an amount of Rs.3,000/- (Rupees Three Thousand Only) vide DD Number ..... Dt..... drawn on (Bank Name) towards Tender Fees and Rs.50,000/- ( Rupees Fifty Thousand Only) vide DD Number ..... Dt..... drawn on (Bank Name) towards EMD. We understand that, the amount of Tender Fees is not refundable.

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

The Fees quoted by us is valid till six 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 hereby declare that, our firm and all the partners of the firm are complying with the Chartered Accountants Act 1949, other notification and guidelines issued by ICAI from time to time.

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 Maharashtra 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,  
(Signature and Seal)

Place:- .....

Date:- .....

**Format for Technical Proposal**

Sr. No.	PARTICULARS	Supporting Documents required to be submitted along with this Form
1	Name of the Firm	
2	Head Office Address of the Firm:	
	Head Office	Office Phone No:
		Contact Person Name:
		Mobile No.
		Email ID:
	Date of establishment of the firm	
	Date since when is H.O. at the existing Station	
	Branch Office 1,2,3.....(Particulars of each branch to be given)	Office Phone No:
Contact Person Name:		
Mobile No.		
Email ID:		
3	Firm Income Tax PAN No.	Attach copy of PAN card
4	Firm TAN Registration No.	Attach copy of Registration
5	Firm GST Registration No	Attach copy of Registration
6	Firm's Registration No. with ICAI	Attach a copy of certificate downloaded from ICAI Website showing the name & address of H.O., B.O. and partners etc.
7	Empanelment No. with C&AG	Attach proof of empanelment with C&AG as major audit for PSUs for the year under Audit (2022-23) confirming that the firm is eligible for major PSU audits.
8	No. of Years of Firm Existence & Date of establishment of Firm	Attach copy of Partnership Deed
9	Turnover of the Firm in last three years (i.e. 2019-20, 2020-21 & 2021-22)	Attach a copy of Balance Sheet and P & L Account of the last three years or a C.A. Certificate give Break-up of Audit Fee and Other Fees Received.
10	<b>Details of Partners of lead firm: Provide following details:</b> <input type="checkbox"/> Number of Full Time Fellow Partners associated with the firm	Attested copy of Certificate of ICAI and firm cards ICAI as on date of advertisement.

	<input type="checkbox"/> Name of each partner Date of becoming ACA and FCA Date of joining the firm <input type="checkbox"/> Membership No. <input type="checkbox"/> Qualification Experience <input type="checkbox"/> Whether the partners is engaged full time or part time with the firm <input type="checkbox"/> Their Contact Mobile No., email and full Address (Attested copy of Certificate/letter of ICAI as on date of advertisement.)	
11	Whether CA firms is applying in Joint venture or in Association with other firms. Details of CA firms in Joint venture / in Association with to be furnished as follows. a. Name of the firm & Address b. No. of FCA partners. c. No. of ACA partners. d. Contact person name. e. Contract person number. f. Email ID.	Yes/ No.



**Details of Qualified Staff (Chartered Accountants)**

(Please provide a self-attested copy of Certificate of ICAI as on date of advertisement for each qualified staff)

Sr. No.	Name of Staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Membership No.	Relevant Experience
<b>FCAs</b>						
1						
2						
3						
4						
5						
.						
.						
.						
<b>ACAs</b>						
1						
2						
3						
4						
5						
.						
.						
.						
<b>Article Clerks</b>						
1						
2						
3						
4						
5						
.						
.						
.						
<b>Semi Qualified / Other Staff</b>						
1						
2						
3						
4						
5						
.						
.						

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

**Each team will constitute of minimum 4 members with qualifications as below:**

Name	Position/ Team Number	No's (Mini mum)	Educational Qualification	Key Responsibili ties or Task Assigned	Relevant Experience and period of association with the firm	Name of the firm to which he belongs in case of Associate	Number of Man days estimate d for task completi on
Chartered Accountant	Team Leader	1					
Semi- Qualified (CA Inter)	Individual District Team Lead	1					
Article / Support Staff (Jr. Auditors)	Support to team	2					
Total estimated man days required to complete the task							

Minimum expected number of teams is 6 to be deployed. Firms must also clearly bring out the number of teams it plans to deploy for the audit keeping in view the scope of work, coverage and Guidelines for submitting the proposal.

Structure of each team should be indicated as per format below:

**Structure of Team 1, 2, 3 .....**

Name of CA	Names of Support Staff	Qualifications	Number of districts (including the blocks as specified in RFP) proposed to be covered.	Time Required for Each assignment

**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 along with the time required for each work/ assignment in the State/ District/ Blocks etc:**

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:**

<b>A. Experience of Statutory Audit of Corporate/PSUs entities in last 3 financial years i.e. 2020-21, 2021-22 &amp; 2022-23.</b> (Other than Audit of Revenue audit/stock audit/ Books writing or Tax audit/ consulting assignments and other than audit of NGOs/ Charitable organizations except audit of NGOs engaged under NHM).						
Sr. No.	Name of the Auditee Organization	Turnover of the Auditee organization (Please refer RFP)	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>B. Experience of audit in relation to Externally Aided projects/ Social Sector Projects i.e. 2020-21, 2021-22 &amp; 2022-23.</b> (Other than Audit of Revenue audit/stock audit/ Books writing or Tax audit/ consulting assignments and other than audit of NGOs/ Charitable organizations except audit of NGOs engaged under NHM).						
Sr. 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)

**ON LETTER HEAD OF CA FIRM**

**Form F-1**

**FINANCIAL BID**

**for selection of Special Auditors of ECRP I, II & Covid-19 Vaccination for F.Y. 2020-23.**

Particulars		Total Amount (in Rupees)
Annual Audit fees: (Including all out of pocket expenses like Boarding / Lodging, TA/DA etc.	.....	Both in Numeric and in Words. Rs...../-  (In words Rupees ..... ..... .....)
GST	.....	..... .....
Total fees	.....	..... .....

**Note: 1. Percentage of funds involved shall not be a basis of quoting the Audit Fee.**

**Note: 2. In case of change in the rate of Taxes, the same will be applicable.**

**Note: 3. In case of discrepancy in numeric & words, the amount mentioned in words will be treated as valid.**

Yours faithfully,

(Signature and Seal)

Place:- .....

Date:- .....

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

To,

The Commissioner, Health Services and  
Mission Director, NHM,  
State Health Society Maharashtra,  
308, 3<sup>rd</sup> Floor, Arogya Bhavan,  
St. Georges Hospital Compound,  
Nr. CST Station,  
Mumbai – 400001.

Sir,

We, the undersigned offer to provide the audit services for *State Health Society Maharashtra* in accordance with your Request for Proposal dated [ *insert Advertisement 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 of Maharashtra and is situated at ..... address proof (photocopy of letter for incorporation of firm / ICAI certificate etc.) of this office in the State is enclosed herewith.

We hereby also give an undertaking that the firm's staff deputed 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,

(Signature and Seal)

Place:- .....

Date:- .....

Encl:

- 1.....
- 2.....

## Section – V

### Selection Methodology:

A pre-bid conference shall be held wherein clarifications that the potential bidders may have shall be clarified.

A two-stage procedure shall be adopted in evaluating the proposals. The selection will be done using **Least Cost Method**.

### First Stage:

- i. Only Technical Proposals shall be opened first for all the firms.
- ii. Thereafter, a technical evaluation shall be carried out as per the evaluation parameters in “Eligibility Criteria” of the RFP.
- iii. The proposals which are fulfilling eligibility criteria only will be considered for technical evaluation for which technical score/ marks will be given. A proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference.
- iv. The technical proposal scoring at least 65% of the marks shall be considered as “Qualified on Technical Parameters”. Or if it fails to achieve the minimum technical score (i.e. at least 65%) the proposal will be rejected at this stage.
- v. **TECHNICAL EVALUATION:**

Eligibility criterion of the firms shall be based on the various criterions as given in the table below. The technical proposal evaluation shall be based on the following parameters.

Sl. No.	Particulars	Minimum Criteria	Max Marks	Evaluation Criterion
1.	Number of Full Time Fellow Partners associated with the firm for not less than 5 years (As per certificate of ICAI as on date of advertisement)	5	10	Firms with minimum 5 FCA partners = 7 marks, FCA partners 6 up to 8 = 8 marks and, FCAs 9 and above = 10 marks,
2	ACAs	5	10	Minimum 5 ACA=7 Marks, ACA 6 to 8 =8 Marks, ACA 9 & above =10 Marks,
3.	Turnover of the firm (Average in last three financial yrs. i.e. 2019-20, 2020-21 & 2021-22)	Minimum Rs.1.00 crore	10	Rs 1.00 Cr. to 1.25 Cr. = 7 marks, Rs. 1.26 Cr to 1.50 Cr. = 8 marks, & Above 1.51 Cr. = 10 marks

4.	Experience of audit assignments of Statutory Audit of Corporate/PSUs entities. (During last 3 financial years i.e. 2020-21, 2021-22 & 2022-23)	10	15	Minimum 10 assignments = 10 marks 11 to 15 = 12 marks Above 16 assignments = 15 marks
5.	Experience of audit assignments related to Externally Aided Projects / Social Sector Projects. (During last 3 financial years i.e. 2020-21, 2021-22 & 2022-23)	5	15	Minimum 5 assignments = 10 marks 6 to 9 = 12 marks Above 10 assignments = 15 marks
6.	Adequacy of the proposed Technical Approach, Methodology & work plan	---	9	As per the evaluation of the Proposal as Good/ Better / Best. Good = 6 marks Better = 8 marks Best = 9 marks
7.	Firm having audit experience under NHM. (During last 3 financial years i.e. 2020-21, 2021-22 & 2022-23)	---	4	---
8.	No. teams (Minimum 6 teams with minimum 4 members as specified in form T-4)	---	24	3 marks per team.
9	Firm having their head quarter/Branch within the state capital of the state i.e in Mumbai for a period more than 3 years	--	3	
	Total		100	

Supporting Documents must be submitted by the firm along with the technical proposal.

**Second Stage:**

1. The firm must achieve at least 65% of the marks to qualify on technical parameters. Financial proposals shall be opened only for those firms who have qualified on Technical Parameters.
2. In case after the technical evaluation, if no bidding firm gets the minimum 65% marks than top three firms will be taken into consideration for opening for their financial bid. Even if there are only one or two firms than they may also be considered at the discretion of SHS.



3. Least Cost Method shall be followed.
4. The SHS reserves the right to change / cancel the evaluation / marking criteria without assigning any reason and to change in evaluation criteria as per requirement and in the interest of organization.

**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 a period of a week from the issuance of LOA. The firm shall enter in to an agreement on a stamp paper with the SHS in this regard.

At present, as per Maharashtra Stamp Duty Rule Section 10 (D) and Government of Maharashtra, Notification dated 03-06-2016 Section 63, the Stamp Duty is as shown below:

No	Agreement Cost	Stamp Duty
1	Up to Rs 10 Lakhs	Rs. 500/-
2	Above Rs 10 Lakhs	Rs. 500/ + 0.10% Agreement Cost above Rs.10 Lakhs subject to maximum of Rs. 25 Lakhs.

The bidder shall bear the cost of stamp duty on agreement cost as per the Indian Stamp Duty Act (1995 or any latest revision) provision applicable during the contract period at the rates applicable at the time of acceptance of bid.

Abbreviations stand for:-

1	NHM	National Health Mission
2	SHSM	State Health Society Maharashtra
3	SHS	State Health Society
4	ECRP	Emergency COVID Response Plan
5	C &AG	Comptroller & Auditor General
6	PSU	Public Sector Undertaking
7	RFP	Request For Proposal
8	TOR	Terms of References
9	DDHS	Deputy Director of Health Services
10	HFWTCs	Health & Family Welfare Training Centre
11	RH	Rural Hospital
12	SDH	Sub District Hospital
13	PHC	Primary Health Center
14	CEO	Chief Executive Officer
15	MOH	Medical Officer Health
16	CHC	Community Health Centre
17	SC	Sub-Center
18	RKS	Rugna Kalyan Samitee
19	UPHC	Urban Primary Health Centre
20	UCHC	Urban Community Health Centre
21	VHNSC	Village Health Nutrition and Sanitation Committee
22	IEC	Information, Education & Communication
23	SIHFWs	State Integrated Health & Family Welfare Society
24	PWD	Public Works Department
25	SPIP	State Project Implementation Plan
26	RBI	Reserve Bank of India
27	AWP	Annual work Plan
28	DHAP	District Health Action Plan
29	DHS	District Health Society
30	MOHFW	Ministry Of Health & Family Welfare
31	GOI	Government Of India
32	ADB	Asian Development Bank
33	GFATM	Global Fund to Fight AIDS, Tuberculosis & Malaria
34	AIIB	Asian Infrastructure Investment Bank
35	ICAI	Institute of Chartered Accountants of India
36	MCGM	Municipal Corporation of Greater Mumbai
37	IDSP	Integrated Disease Surveillance Programme
38	NGO	Non-Government Organization
39	ACA	Associate Chartered Accountant
40	FCA	Fellow Chartered Accountant
41	NTEP	National Tuberculosis Eradication Programme
42	NVBDCP	National Vector Borne Diseases Control Programme
43	EMD	Earnest Money Deposit
44	HO	Head Office
45	TA/DA	Travelling Allowance/ Dearness Allowance
46	PBG	Performance Bank Guarantee
47	FMR	Financial Monthly Report