



**GOVERNMENT OF TELANGANA**

**Aarogyasri Health Care Trust**

Tender call for selection of Statutory Auditor for Aarogyasri Health Care Trust  
(AHCT) for conduct of Statutory Audit for the F.Y. 2020-21

**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: [accountsts@aarogyasri.gov.in](mailto:accountsts@aarogyasri.gov.in)

## GENERAL INFORMATION ABOUT TENDER

1.	Tender No.	782/AHCT/Accts/2020-21
2.	Time Schedule	All the activities relating to submission of Tenders, Pre-Bid meeting, 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 21.08.2021 - 03.00 PM to 06.09.2021 - 05.00 PM from <a href="http://www.aarogyasri.telangana.gov.in">www.aarogyasri.telangana.gov.in</a>
	b) Pre-bid meeting	01.09.2021 - 11.00 AM
	c) Last Date and Time for Receipt of Tender in online and physical	06.09.2021 – 05.00 PM.
	d) Time and date for the Opening of pre-qualification bids	07.09.2021 - 01.30 PM
	e) Time and date for the Opening of Commercial bids	09.09.2021 - 03.00 PM
	g) Issue of Letter of Award	
2.	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 : <a href="mailto:accountsts@aarogyasri.gov.in">accountsts@aarogyasri.gov.in</a>
3.	Submission procedure	<p>The Bidders shall submit their eligibility and qualification details in Technical Bid.</p> <p>The Bidders shall submit copies of all the relevant certificates, documents etc, in 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.</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>
4.	Tender Documents	The Bidders can seek clarification, if any, from the Tender Inviting Authority through email – <a href="mailto:accountsts@aarogyasri.gov.in">accountsts@aarogyasri.gov.in</a>
5.	General Terms and Conditions	As per Tender Document



**GOVERNMENT OF TELANGANA**

**NOTICE INVITING BID**

Web Site : [www.aarogyasri.telangana.gov.in](http://www.aarogyasri.telangana.gov.in)

**TENDER DOCUMENT**

**FOR**

**Appointment of Statutory Auditor for Aarogyasri Health Care Trust (AHCT)  
for Statutory Audit of Aarogyasri Scheme and Employees Health Scheme &  
Journalist Health Scheme.**

<b>Tender Notice No</b>	<b>AHCT/Accts/782/2020-21 Date: 21.08.2021</b>
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<b>Name of the Firm and Address</b>	

**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 : [accountsts@aarogyasri.gov.in](mailto:accountsts@aarogyasri.gov.in)

## **Request for Proposal (RFP)**

**For Appointment of Statutory Auditor for Aarogyasri Health Care Trust (AHCT)) for Audit of Aarogyasri Scheme and Employees Health Scheme & Journalist Health Scheme.**

## **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 2020-21* for conducting the statutory audit for the FY 2020-21.

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 under the Chairmanship of the Hon'ble Chief Minister. The Trust is 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.

**3. Funding and Accounting Arrangements:**

For the implementation of the above programmes, the Government of Telangana transfer funds in the form of Grants-in-Aid to Aarogyasri Health Care Trust on the basis of allocations under State Budget and 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 March 31,
- 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 2020-21 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 firms having H.O/Local Branch Office in Hyderabad, the Capital of Telangana State is to be given preference at the time of finalizing the financial bid.
- 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:**

SNo	Item	Criteria Requirement	Proof Required	
1	Financial Strength	<b>(i) Historical Financial Performance:</b> Submission of audited balance sheets with UDIN and ITR-V, other financial statements acceptable to the Trust, for the <b>last three (3)</b> years to demonstrate the current soundness of the bidders financial position, profits, net worth positive and its prospective long term profitability for FYs 2019-20, 2018-19 and 2017-18.	Must meet requirement	Audited balance sheets
		<b>(ii) Average Annual Turnover:</b> Minimum average annual turnover of <b>Rs one hundred (100) lakhs</b> calculated as total certified payments received for contracts in progress or completed, within the last <b>three(3)</b> years i.e., FYs 2019-20, 2018-19 and 2017-18.	Must meet requirement	Audited balance sheets
2	Experience	<b>Experience:</b> Experience in Audit works of at least <ul style="list-style-type: none"> <li>• One work of <b>Rs Ten (10) lakhs</b> in the specified last three financial years or</li> <li>• Two works of <b>Rs Eight (8) lakhs each</b> in the specified last three financial years or</li> <li>• Three works of <b>Rs Six (6) lakhs each</b> in the specified last three financial years.</li> </ul>	Must meet requirement	Appointment Letters

**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 concurrent 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.
- Advice on all matters related to TDS/TCS issues



***c. 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.

***d. 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 31<sup>st</sup> March .
  - iv. Receipt and Payment Account for the year ending on 31<sup>st</sup> March .
  - iv. Other Schedules to the Balance sheet 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)
  - v. Notes on Accounts showing the accounting policies followed in the preparation of accounts and any other significant observation of the auditor.
  - vi. 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 2020-21 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 **31<sup>st</sup> July** (i.e. within four months of the end of the financial year) 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 and Scanned (Both) is also to be submitted in mail or 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. EMD (Bid Security)**

An amount of Rs. 50,000/- shall be deposited as EMD and amount payable through DD drawn in favour of "CEO Aarogyasri Health Care Trust" payable at Hyderabad.

## **11. Refund of Security Deposit (EMD)**

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.

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.

## **12. Minimum Audit Fee**

The minimum audit fee for providing statutory audit services is Rs 5,00,000/-

## **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.
- vii. All blank spaces in the financial proposal must be filled in completely wherever indicated, either typed or written in ink.
- viii. **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.**
- ix. The auditors must have the H.O/ Branch Office in Hyderabad.
- x. 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   | : 21.08.2021 03.00 PM to<br>06.09.2021 05.00 PM |
| ii. Pre-Bid Meeting  | : 01.09.2021 11.00 AM                           |
| iii. Last date for submission of Bids in online<br>Hard Copies(Mandatory Submission) | : 06.09.2021 05.00 PM                           |
| iv. Opening of Pre-qualification Bids  | : 07.09.2021 01.30 PM                           |
| v. Opening of Commercial Bids  | : 09.09.2021 03.00 PM                           |
| vi. Probable Date for issuing Letter of Award  | :   |

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

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

**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 \_\_\_\_\_ [Date]. 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,

( )

Form T-2  
Format for Pre-qualification Bid

Sl 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 / No. of years of firm existence	Attach copy of Partnership Deed
5	*Date since when is HO/BO at Hyderabad	
6	*Firm Income Tax PAN No.	Attach copy of PAN card
7	*Firm Service tax 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	Attach proof of empanelment with C&AG confirming that the firm is eligible for major PSU audits.
10	*Audit Experience of the Firm Last three Years(F.Ys 2017-18, 18-19, 19-20) a) No. of Assignments in Commercial/Statutory Audit b) No. of Assignments of Trusts, PSUs & NGOs	Please submit the separate abstract of the works as specified at 10(a) & (b) each along with the relevant proofs.
11	<b>*Details of Partners:</b> 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) Contact Mobile No, email and full address of partner.	Attested copy of Certificate of ICAI not before 01.04.2020  (Use separate paper if necessary to furnish Partners details)

**FORMAT FOR FINANCIAL BID**

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

(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 of .....and 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 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

( )

Encl:

1.....

2.....



**Bidders should submit the following Mandatory particulars along with**

**Documents in online and offline:**

1	Form-T1
2	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) No. of Commercial/statutory Audits
	b) No. of Trusts/Psu/NGOS Audits
	j) Details of Partners
	k) Attested certificate of Copy of ICAI (Not before 01.04.2020)
3	Financial performance
	Balance sheets for F.Y. 2017-18
	Balance sheets with UDIN for F.Y. 2018-19
	Balance sheets with UDIN for F.Y. 2019-20
	ITR of F.Y. 2017-18
	ITR of F.Y. 2018-19
	ITR of F.Y. 2019-20
4	Audited works for the last three financial Years(F.Y. 2017-18, 2018-19& 2019-20
	a) One work of 10 Lakhs or
	b) Two works of 8 Lakhs or
	c) Three works of 6 Lakhs