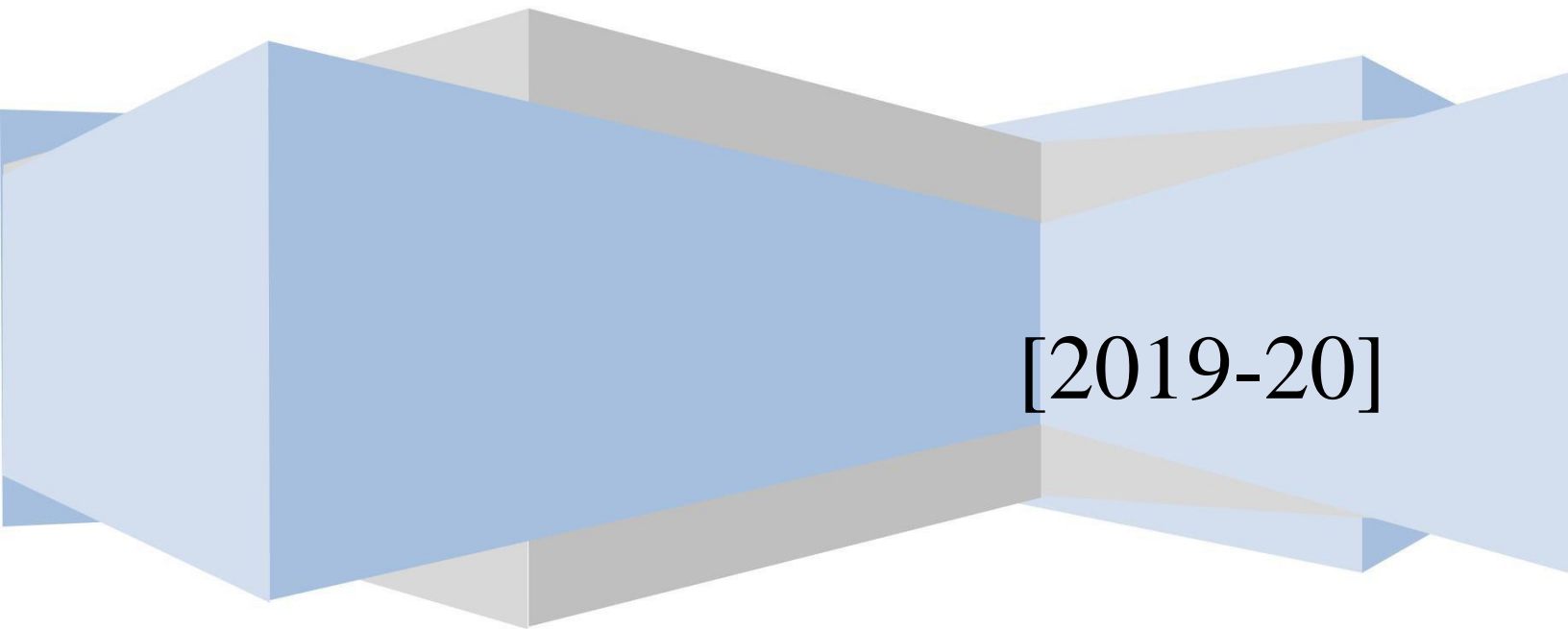


Request for Proposal (RFP)

**For Appointment of Concurrent
Auditor for Atal Amrit Abhiyan
Society.**



[2019-20]

Request for proposal for Concurrent audit:

Background:

Atal Amrit Abhiyan Society has been formed and registered under Societies Registration Act 1860. A State Nodal Cell (SNC) has been set up under Atal Amrit Abhiyan Society to administer the Scheme. The Society is headed by an CEO. Implementation Support Agencies (ISA) have been selected through tendering process. The Society functions for two schemes namely Atal Amrit Abhiyan (AAA) scheme and Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (ABPMJAY) Scheme with the budget of 400 crore and 22.68 Crore respectively.

Overview of AAA Scheme:

Atal Amrit Abhiyan was launched on 18th April 2018 by Govt. of Assam subsequent to the budget announcement by Hon'ble Health Minister that year. This historic Scheme attempts to provide the much needed, hassle-free and convenient cashless coverage to avail best in class treatment available for 438 procedures in 6 critical specialties to low income households of our state; all BPL families and APL families upto an annual family income of 5 lakhs are covered within this scheme.

Specialties covered under the Scheme are:

1. Cancer
2. Heart disease
3. Kidney disease
4. Neurological disorder
5. Neonatal diseases and
6. Burns

The objective of this programme is:

To improve the access of the Below Poverty line and the Above Poverty line (up to an annual family income of Rs 5 lakhs) population to quality tertiary medical care for the six identified specialties requiring hospitalization for surgeries and therapies through an empanelled network of hospitals both inside and outside the State. The scheme entails around 438 surgeries/therapies/procedures along with follow up packages in the six specialties.

The procedures are to be performed only in empanelled public/private hospitals both within the State and in selected cities of Kolkata, Bengaluru, Chennai, New Delhi and Mumbai.

All diseases under the proposed scheme (including pre-existing ones) shall be covered from day one.

- Financial benefits: Up to Rs 2 Lakhs annually towards approved procedures and other services on a complete cashless basis.
- Completely cashless: Enrolled beneficiary will go to the network hospital with the bar coded laminated card and come out without making any payment to the hospital for the procedures covered under the Scheme.

- Package rate: The package rates would include consultations, medicine, diagnostics, food, hospital charges, etc. as indicated in the treatment package. This also includes the DA/TA within the 2 lakhs package.
- Each individual adult member of eligible family will be issued a laminated card with a unique identification number. Minors below the age of 18 years is included in the Head of the Family Health Card. No separate Health Card is issued to the eligible minors.
- Enrolment under the scheme is FREE for BPL families.
- Each member of eligible APL families will be required to pay a nominal amount of Rs. 100/- for enrolment and renewal.

Present Status of the Scheme:

Overview of AB-PMJAY Scheme

The Union Budget 2018- 19, announced the implementation of Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY).PMJAY covers 27 Lakhs poor and vulnerable families (1.35 crore individuals approximately) in the State of Assam identified by the SECC Census 2011 data.

The Scheme provides comprehensive coverage of up to 5 lakh Rupees per family per year for secondary and tertiary care treatment. Across the country, the scheme will cover approximately 10 Crore families (50 crore individual beneficiaries).

The Scheme is completely cashless at the point of delivery. Benefits of the Scheme are portable across the country and a beneficiary covered under the Scheme will be allowed to take cashless benefits from any public/private empaneled hospitals across the country.

The scheme covers 1,350 procedures covering 1,394 medical and surgical packages categorised under 25 specialties such as cardiology, neurosurgery, oncology (chemotherapy for 50 types of cancers), mental disorders, burns, reconstructive surgeries, among others.

The main role of the Society is implementation, monitoring of the schemes approved in the Program Implementation Proposal approved by Government of India in Record of Proceedings. The programs are implemented through the State Nodal Cell (SNC) and State Health Agency (SHA).

The Atal Amrit Abhiyan Society needs a systematic examination of the Financial Transactions done at the Office of the SNC and SHA on a regular basis to ensure the accuracy, authenticity, compliance with procedures and guidelines of Cabinet Memo through a full-fledged professional Concurrent Audit covering the functions of Departmental Internal Audit.

The emphasis of the Concurrent Audit is not a test checking mechanism, but to be a substantial checking of transactions, to ensure whether the financial management arrangements and physical performance are effectively working, identification of areas to be improved to enhance the efficiency etc. and it would be an ongoing appraisal of the Health Financing. In this background the Atal Amrit Abhiyan Society decided to appoint independent Chartered Accountant Firm to undertake periodical

audit and report on vital parameters which would depict the true picture of Financial and Accounting health of the Program.

Funding and Accounting arrangement:

Funds attributable to AAA Scheme are transferred from the State Treasuries to the designated bank account of Atal Amrit Abhiyan Society. PMJAY Scheme receives funds from Government of India and State Government of Assam in the ratio of 90% and 10% respectively in the form of Grant-in-Aid and Administrative Cost. Under the umbrella of the Atal Amrit Abhiyan Society each scheme (AAA & ABPMJAY) has separate bank accounts, maintains 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 unit in MOHFW (GOI).

Objectives of Concurrent Audit:

- 1) To ensure Voucher / Evidence based payments to improve transparency.
- 2) To ensure accuracy and timeliness in maintenance of Books of Accounts.
- 3) To ensure timeliness and accuracy of periodical Financial Statements.
- 4) To ensure compliance with laid down systems, procedures and policy.
- 5) To regularly track, follow-up and settle advances on priority basis.
- 6) To assess & improve overall internal control systems.

Scope of Concurrent Audit (District Level)

The responsibilities of the concurrent auditors shall include reporting on the adequacy of internal controls, the accuracy and propriety of the transactions, the extent to which assets are accounted for and safeguard and the level of compliance with financial norms and procedures of the operational guidelines.

The Scope of work of State Concurrent Auditor is as follows:

- 1) The scope of Concurrent Audit covers all activities being implemented by the Atal Amrit Abhiyan Society,
- 2) Entire process of Hospital Claims Payment (from pre auth to payment)
- 3) Audit, Verification and Certification of Statement of Expenditure.
- 4) Audit, Verification and Review and analysis of age wise and implementing department / Agency wise advances pending month-wise.
- 5) Physical verification of stock/fixed assets.
- 6) Audit of the Provisional Utilization Certificates sent to GOI
- 7) Review of Action Taken Report on concurrent Auditor's comments, observations thereon.
- 8) Any other evaluation work as desired by the State / District Audit Committee.
- 9) Concurrent Auditor shall review and help in the preparation of the Financial statements.
- 10) Firm shall submit a monthly Executive summary effecting major deficiencies, weakness noticed in the internal controls, suggestions to improve the Internal control, extent of non-compliance of Government of India guidelines and various tax laws (i.e.) Income Tax, G.S.T etc.

Frequency

Concurrent Audit will be carried out on Half Yearly basis.

Methodology for conducting audit/reporting:

The audit team shall be led by the Chartered Accountant – Proprietorship/Partner of the audit firm with experienced assistants as the work may warrant.

The audit personnel for the audit period should not be changed so that continuity and consistency is maintained. The audit firm shall conduct appropriate due diligence before employing any personnel who will be entrusted with the work of conducting the concurrent audit of the Society. The audit firm is also responsible for any commission and omission of its employees which may cause and or likely to cause any loss/damage to the Society.

If there is any change in the constitution of the firm during the period of appointment it shall be informed to the Society immediately.

Before commencing the audit, the members of the Audit team should be properly introduced to the Society by proper introduction letter duly attested by the Chartered Accountant Proprietor/Partner of the firm.

Auditor to be guided by Circular, Manual of Instructions and other guidelines (available in the Society for conducting the audit.

The auditors should keep watch on withdrawals/purchases and any deviations to the codal formalities shall have to be reported to the controlling officer immediately.

The Audit team should adopt the following procedure in the matter of reporting their findings.

As on the last day of the audit period, the audit firm shall prepare an Executive Summary/Quarterly report (as applicable) signed by both the auditor and the controlling officer.

The Executive Summary should cover the critical areas mentioned in the checklist/guidelines and the irregularities/shortcomings observed during the course of the audit. Auditors are however free to report any other deficiencies which they may come across during the course of audit.

Any transactions of serious nature which is unusual/not normal to the usual course of business or any other unhealthy practices indulged by the Society, persistent irregularities, observed during the physical verification, transaction of fraudulent nature, other serious irregularities like disbursement without proper sanction/incomplete documentation/irregularities as per guidelines, as a whole on a monthly basis may however be reported immediately by way of separate letter along with Executive Summary.

The serious irregularities, if any, noticed shall be covered exhaustively in the executive summary submitted to the Society.

The executive summary along with the annexure should be submitted by the auditor so as to reach the Society by 10th of the succeeding month.

Standards:

The audit should have to be carried out in accordance with Engagement and Quality Control Standards (Audit & Assurance), SIAs 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 Financial Statements resulting from fraud.

Elegibility Criteria:

- a) Firm should have Empanelment with C & A G of India for 2018 -19 and applied for 2019–20. Proof of empanelment with C&AG to be attached
- b) The Firm must have its Principal Office within the State Capital of the same State for which the proposal is given preference. (Such Head Office should be existed within the state for not less than Five Years as per the ICAI Certificate).
- c) The Firm should have an annual turnover of 30 lakh P.A
- d) The Firm should have a minimum 5 years of experience of internal / concurrent audit of Government funded society / Public Sector undertaking.
- e) Number for full time FCA associated with the firm for not less than 5 years (As per certificate of ICAI as on 01.01.2018) should be 4.
- f) The Firm Should have sufficient staff strength and able to depute minimum of 3-member team at a time.
- g) Audit team must consist of 1 CA Partner/Qualified Assistant, 2 paid Assistants.
- h) No of assignments of Concurrent/Statutory Audit (Having a turnover of not less than Rs 10 Crore in the last 5 Years should be 5.
- i) The Firm or any of the partners should not be black listed by any organisation in respect of any assignment (i.e.) Government / Public Sector / any other organisation.

Supporting Documents for Eligibility criteria

Following supporting documents must be submitted by the firm along with the technical proposal:

- For a and b Attested copy of the Registration Certificate issued by the ICAI contains Head Office & Branch Office
- For S No. c, the firm must submit, a copy of the Audited Balance Sheet & Profit & Loss Account for the last three years otherwise a Certificate issued by any C.A. Firm may also be provided in this regard giving the break up of Fees (Audit Fee, Taxation and Others)
- For S.No d & e above, the firm must submit an attested copy of Certificate of ICAI as on 1.1.18
- For S.No f List of Partners / Audit staff of the Firm.
- For S. No h the firm must submit a copy of the appointment letters from the auditee organisations. Branch Audit of any Bank shall not be considered while taking into account the total no of assignment.

The firm or any partners of the firm should not be black listed by any PSUs or Govt. Co or any other organization in respect of any assignment or behavior.(Self attested affidavit on Rs 100/- stamp paper is to be given in this regard by the authorized person of the firm.

As regards S. No 4 the turnover of the auditee organization and audit fee paid/received have to be provided along with the relevant evidences/documents.

3) Payment of Fees

The concurrent Audit fees after TDS will be released on half yearly basis after fulfilment of the following conditions.

1. Submission of Audit Report within the stipulated time.
2. Submission of Executive Summary Report within the stipulated time.
3. Review of Action Taken Report of previous Audit Report.

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 “**TECHNICALPROPOSAL**” Similarly, the original Financial Proposal shall be placed in a separate sealed envelope clearly marked “**FINANCIALPROPOSAL FOR “_____”** 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 **REQUEST FOR PROPOSAL FOR THE APPOINTMENT OF CONCURRENT AUDITOR FOR “_____”** . 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 grounds for declaring the Proposal non-responsive/ invalid.
- ii. All agencies must comply with the Scope of Service, General Conditions and Format/Requirements for Technical and Financial proposal.
- iii. Technical / Financial proposals submitted by the firm should be valid for 6 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 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. **Atal Amrit Abhiyan Society 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.**
- x. The firm shall give an undertaking that the team members are proficient in the State’s official language (both oral and written).

Technical & Financial Proposal formats:

- i.** Letter of Transmittal (Form *T-1*)
- ii.** Technical Proposal format (*Form T-2*)
- iii.** Technical Proposal format (*Form T-2*)
- iv.** Details of Qualified Staff (**Form T-3**)
- v.** Relevant Experience (**Form T-4**)
- vi.** Comments and Suggestion Term of Reference (**Form-5**)
- vii.** Financial Bid format (*Form F-1*)

Form T-1

Letter of Transmittal

To,

The Chief Executive
Officer,
Atal Amrit Abhiyan
Society, Guwahati –
781022

Sir,

We, the undersigned, offer to provide the audit services for [*Name of Health Society*] in accordance with your Request for Proposal dated [*Insert 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 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 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 Atal Amrit Abhiyan Society, Assam is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.

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

Yours faithfully,

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Form T-2**Format for Technical Proposal**

Sl. No.	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 / eMail ;
		Mobile No. of Head Office In-charge:
	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)	Phone No: Fax No / eMail : Mobile of each Branch Office In-charge:
	Mention the date of establishment of each branch offices since when existed at the existing place	
3	Firm Income Tax PAN No.	Attach copy of PAN card
4	Firm GST Registration No.	Attach copy of Registration
5	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.
6	Empanelment No. with C&AG	Attach proof of empanelment with C&AG for the year 2018-19 and copy of the application submitted to C&AG for year 2019-20 confirming that the firm is eligible for PSU audits
7	No. of Years of Firm Existence & Date of establishment of Firm	Attach copy of Partnership Deed
8	Turnover of the Firm in last three years	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.

9	<p>Audit Experience of the Firm:</p> <ol style="list-style-type: none"> 1. Number of Assignments in Commercial/Statutory Audit 2. Number of Assignments of Externally Aided Projects/Social Sector Project (excluding audit of Charitable Org.) 3. Experience in the Relevant assignment 	<p>Copy of the Offer Letter & the Fee Charged for each assignment.</p> <p>(Relevant evidences to be given of the turnover and fee)</p>
10	<p>Details of Partners:</p> <p>Provide following details:</p> <ul style="list-style-type: none"> • Number of Full Time Fellow Partners associated with the firm <ul style="list-style-type: none"> • Name of each partner • Date of becoming ACA and FCA <ul style="list-style-type: none"> • Date of joining the firm • Membership No. • Qualification • Experience • Whether the partners is engaged full time or part time with the firm • Their Contact Mobile No., email and full Address. 	<p>Attested copy of Certificate of ICAI not before 01.01.2018</p>

Note: The firm shall give an undertaking that the team members are proficient in the State's official language (both oral and written).

Form T-3

A. Details of Qualified Staff (Chartered Accountants)

(Please provide a self attested copy of Certificate of ICAI as on 01.01.2018 for each qualified staff)

S No	Name of Staff	Length of Association with the Firm (in Years)	Educational Qualification	Areas of Key Expertise	Membership No	Relevant Experience
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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 Qualification	Areas of Key Expertise	Relevant Experience	Remarks
Semi Qualified Staff						
1						
2						
..						
Article Clerks:						
1						
2						
..						
Others						

Form T-4

Brief of Relevant Experience

A. Experience of Audit in relation to external Aided projects/State's Social Sector Projects (Excluding the audit of Charitable Institutions and NGOs)

S No	Name of the Auditee Organizations	Grants-in-aids handled of the auditee organization	Type/Nature of Assignment	Scope & coverage of the assignment	Duration Completion of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organisation (Pl attach a copy of the letter)

B. Experience of audit in commercial Sector/PSUs etc.

S No	Name of the Auditee Organizations	Grants-in-aids handled of the auditee organization	Type/Nature of Assignment	Scope & coverage of the assignment	Duration Completion of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organisation (Pl attach a copy of the letter)

Comments and Suggestion on the Terms of Reference

Firm can present with justifications 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, reorganizing the activities, additional human resource required at various level etc. Such suggestion should be concise and to the point, and incorporated in the proposal.

Form F-1

FORMAT FOR FINANCIAL BID

Particulars	Total Amount (in Rupees)
AUDIT FEE a. Audit fess----- (Including cost of TA/DA) b. GST----- c. Total Fees----- Note: Percentage of funds involved shall not be a basis of quoting the Audit Fee.	Both in Numeric and in Words. Rs. _____/- (Rupees _____).

Selection V Selection Process of the Auditor

Selection V Selection Process of the Auditor

General Process:

Open Advertisement (as per Format for Advertisement) in leading newspaper at State Level for inviting proposal from CAG empaneled Chartered Accountant firms for Concurrent audit of Atal Amrit Abhiyan Society should be issued first.

The advertisement should clearly mention the last date and time for collection of RFP. Last date for submission of Technical and Financial bids should also clearly mentioned. The last date for submission of technical and financial bid shall not be less than 3 weeks and no more than 5 weeks from the date of publication of the EOI.

Technical Bid opening date also has to be mentioned in the advertisement.

A pre bid conference shall be held (date to be indicated in the advertisement) wherein clarifications that the potential bidders may have shall be clarified.

The Executive committee of the Society will form a Standing Committee on Audit (SCA) with suitable representation from operation and finance wings under the chairperson of CEO. The SCA should invariably be headed by the CEO and Sr FA will be a member of the committee. This Standing Committee will also act as the Selection Committee for the selection of auditors. The Standing Committee on Audit will subsequently monitor the audit process and the follow up on audit paras and Action Taken Reports on those audit paras.

The CA firms securing less than cut off marks 25% in Technical evaluation will be communicated that they have not qualified in the technical bid and their Financial Bid will be returned unopened after the completion of the selection process.

The firms qualifying in technical bid will be notified by registered post that they have been shortlisted in the technical bid and their Financial Bid opening date shall also be communicated to them in the same notification.

Financial Bid opening date shall not be later than 2 week after the completion of technical evaluation process.

The selection process of Auditor shall be subject to review by Financial Management Group, MOHFW, GOI/Officer of Chief Controller of Accounts, MOHFW, GOI/Audit parties of the AG or any authorized person of the Ministry of Health and Family Welfare, Government of India.

ELIGIBILITY CRITERIA & TECHNICAL EVALUATIO:

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

For selection of CA firms for Concurrent Audit of Health Society

S 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	4FCA (5 Years with CA firms)	10	Firms with 3 or more FCA partners =5, Firms listed as eligible for major audits by C&AG for the year under

	01.01.18)			audit=10
2	Turnover of the Firm (Average annual in last three financial yrs)	Minimum Rs 30 Lacs	10	Rs 30 to 50 Lacs=5 Above 50 Lacs =10
3	a)No of assignments: Experience of Commercial/Statutory Audit. Specific Experience of the firm relevant to the assignment b)Experience of audit in relation to Social Sector of the State/Centre(Excluding the Audit of Charitable Institutions)	3 3	10	No of assignments in PSUs 3 to 15 plus 2 to 8 in Social sector =5 Above 15 plus above 8 in Social Sector=10
4	Adequacy of the proposed methodology and work plan Technical Approach & Methodology work plan		10 10	As per the evaluation of the Proposal As per the evaluation of the Proposal

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

a) For S. No 1, above, the firm must submit an attest copy Certificate of ICAI as on 01.01.2017

b) For S. No2, the firm must submit, a copy of the balance sheet for the last three years or a certificate Issued by any other C.A. firm must submit a copy of the appointment letters from the auditee organizations.

c) For S. No 3(a) & (b). the firm must submit a copy of the appointment letters from the auditee organizations

iii) The firm must achieve at least 25% of the marks to qualify on technical parameters for the purpose of the audit of Society.

iv) Association: In case of Association, the evaluation of the technical proposal shall be done only on Lead Firm parameters 1 to 416 | Page

Selection Methodology

A two stage procedure shall be adopted in evaluating the proposals.

First Stage:

i) Only Technical Proposal 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.

iii) The technical proposal scoring at least 25% of the marks shall be considered as Qualified on Technical Parameters. 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 or it fails to achieve the minimum technical score(i.e. at least 25%)

iv) Financial proposal shall be opened only for those firms who have Qualified on Technical Parameters (ie. Secured at least 25% of maximum marks on evaluation criteria). Financial Proposals of the firms which have not qualified on technical parameters shall be returned unopened after completion of selection process.

Auditor for Concurrent Audit of Atal Amrit Abhiyan Society

The selection will be done by selecting the firm having lowest quoted rate in Financial Bid (L1)

In case same audit fees quoted by two or more CA firms, the selection of auditor shall be done considering the marks secured in the Technical Evaluation.

Award of Contract

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