



Request For Proposal (RFP)

FOR APPONTMENT OF INTERNAL AUDITORS FOR THE YEAR 2014-2015

RFP Notice No: GVK EMRI/HO/NATIONAL SCM/-07/2014-15 dated 23.7.2014

Address for communication, receipt of bids and venue of bid opening:

GVKEMRI, Devar Yamzal, Medchal Road, Secunderabad -500 014

Phone No: 040-23462222, 09866554099,

Mr. Prasad Pothineedi Email: prasad_pothineedi@emri.in

This document contains General Terms and conditions, including qualification criterion, Commercial terms and conditions that are followed by GVKEMRI for Appointment of Internal Auditor Firm for the year 2014-15 However, the terms and conditions are not binding on GVKEMRI and liable for change without any notice.

GVK Emergency Management and Research Institute (GVK EMRI), seeks to invite Proposal from ***C& AG empanelled Chartered Accountants firms*** meeting the minimum eligibility criteria for providing their services for the Internal Audit for the financial year 2013-14 of all its State Unit operations.

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

General brief about GVKEMRI 1-0-8 operations:

GVK Emergency Management and Research Institute (GVK EMRI) was established as a not for profit Society, Registered under Andhra Pradesh Societies Registration Act, 2001, in February 2005 and it provides Integrated Emergency Medical Response services free of cost through a toll free number '108' to every citizen of our country under Public Private Partnership(PPP) frame work. Vision of GVK EMRI is to support and build capabilities to save 1 million lives per annum nationally and establish GVK EMRI as a premier Research and Training Institute.

GVK EMRI under the Public Private Partnership has made substantial progress over the last six years in providing Emergency Response Services across the country and presently operate over 5000 state of the art ambulances in 12 States and 2 Union Territories viz Andhra Pradesh, Gujarat, Uttarakhand, Goa, Tamil Nadu, Karnataka, Assam, Meghalaya, Madhya Pradesh, Himachal Pradesh, Chhattisgarh, Dadra Nahar Haveli, Daman and Diu and Uttar Pradesh to provide pre-hospital care covering a population of 600 million. Everyday, GVK EMRI is serving on an average 15,000 emergencies (17.8 million emergencies attended since inception) and saving over 500 lives every day and cumulatively have saved more than 6 lac lives since the launch of the services and provide direct employment to over 20,000 associates while continuing to be a not-for-profit organization.

GVK EMRI's innovative approach has revolutionized the concept of Emergency Services in India. The organization to its credit has pioneered the first of its kind interventions in India such as providing a Single Toll- Free number (108) for initiating the emergency response and a comprehensive coverage of emergencies involving Medical, Police and Fire departments, in ambulance Pre-hospital care to mitigate the effects of medical emergency of the victim under the guidance of a specially trained Emergency Physician, Research and Training etc. Today "108" is synonymous with the best-in- class emergency service and has been acknowledged as the most efficient, speedy, reliable and professional service provider in the category.

With increased focus on research and analytics and collaborations with internationally renowned institutions like Stanford School of Medicine, GVK EMRI has plans to significantly enhance the overall emergency management scenario - further reducing individual suffering.

Important dates and deadlines for the RFP are as below

- A. Date of Release of bidding document : 23/07/2014**
- B. Pre-bid conference/sending Pre-bid queries : 04/08/2014 (from 1430 Hrs onwards)**
- C. Venue of Pre-bid meeting and Tender opening : GVK EMRI, Devar Yamzal, Secunderabad**
- D. Last date and time for sale of bidding document: 18/08/2014 (Before 1800 Hrs)**
- E. Last date and time for submission of bid : 20/08/2014 (Till 1330 Hrs)**
- F. Date and time for opening RFP : 20/08/2014 (1500 Hrs onwards)**

The completed bids must be received at the office of GVK, Emergency Management and Research Institute, Secunderabad, India, on or before time and date given above. It will be the sole responsibility of the Auditors' firm to ensure that their bid is received at the address specified above on or before the specified date and time mentioned.

The bid documents are non-transferable.

EMD (Earnest Money Deposit)

The bid shall be accompanied by a Demand Draft for Rs.15,000 towards EMD drawn in favour of GVK EMRI, Secunderabad, payable at any nationalized bank in Secunderabad. The EMD in respect of all those, except the successful bidder, will be returned after finalization of L1 bidder. The EMD in respect of the successful bidder will be returned after submission of Performance Bank Guarantee by the successful bidder for an amount equivalent to 10% of the order value.

Failure to adhere to the terms and conditions stipulated in the TOR will result in forfeiture of PBG.

The bid documents are non transferable.

Head, Supply Chain Management
For and on behalf of GVK Emergency Management and Research Institute

General Terms and Conditions

Section I - Background

In order to manage the audit process efficiently the Internal Audit Geography is divided in to 4 Zones . The audit firms have to bid for the audit of all the States in the Zone. Preference is also given if any bidder quotes for multiple Zones. Audit scope envisages preaudit of all transactions and requires presence of the auditor at all times in the State Head Quarters of the auditee. and the auditor should conduct the pre audit as per Terms of reference given in the RFP.

Zone	State Name	Office Location
South	Andhra Pradesh	Secunderabad
	Tamil Nadu	Chennai
	Karnataka	Bangalore
	Goa	Bambolim
West & Central	Gujarat, UT of Dadra Nahar Haveli, Daman& Diu	Ahmedabad
	Madhya Pradesh	Bhopal
	Chhattisgarh	Raipur
East	Assam	Guwahati
	Meghalaya	Shillong
North	Uttarakhand	Dehradun
	Himachal Pradesh	Solan
	Rajasthan	Jaipur

Section II - Terms of Reference :

Detailed Terms of Reference (TOR) defining the functional areas, checks to be performed, frequency of verification , reference to the Organization policies and the reporting requirements are given in **Annexure 1**. Deployment details are given in Annexure-2. These are to be strictly adhered to.

Reporting and Timing :

The monthly comprehensive Audit Report covering all the points defined in the ToR should be submitted after discussion with the Auditee with in 10th of the following month addressed to the CFO,GVK EMRI Head Office and copied to State Head.

Section - III Eligibility Criteria:

Pre- Qualification Criteria:

I. The CA firm must be empanelled with C & AG for the year 2013-14 and the particulars of the Firm H.O., B.O. and Partners and paid Chartered Accountants should match with the certificate issued by ICAI.

II. CA Firms must qualify following minimum criteria:

Sl. No.	Particulars	Minimum Criteria
1	Number of Full Time Fellow Partners associated with the firm for not less than 3 years (As per Certificate of ICAI as on 1.1.2014) i.e. <i>such partners should continue to be a fellow member during all the three years</i>	3
2	Turnover of the firm (Average annual in last three financial yrs.)	Minimum Rs.25 Lakhs
3	No. of Years of Firm Existence as per ICAI Certificate No.	5 Yrs.
4	of audit assignments of Internal /Statutory Audit of Corporate/PSUs entities except Bank Branch Audit having a turnover of not less than Rs 20 Crore <i>for the years for which the audit has been done</i> in the last 3 years.	5
5	No. of assignments: Experience of audit of Externally Aided Projects/ Social Sector Projects (other than Audit of Charitable Institutions & NGOs) in the last 3 years	2

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

- i. For S. No. 1 above, the firm must submit an attested copy of Certificate of ICAI as on 1.1.2014.
- ii. For S. No. 2, the firm must submit, a copy of the balance sheet 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).
- iii. For S. No. 4 & 5, the firm must submit a copy of the appointment letters from the auditee organizations. Branch Audit of any Bank shall not be considered while taking into account the total number of assignments.

III. The firm or any partners of the firm should not be black listed by any PSUs or Govt. Co. or any other organisation in respect of any assignment or behaviour

Section IV - Guidelines for Submitting the Proposals:

General Guidelines:

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

1. 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. GVK EMRI shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.
2. **Team Composition for the assignment should be as specified in Annexure 2 .**
3. **Association with Other firms & Quality Assurance:** Given the number of locations to be audited in various States, a firm (**called Lead Firm**) meeting the minimum criteria may associate itself with others firms for the purposes of providing a bigger pool of experts/ qualified staff for the purpose of this assignment. In such a case, the proposal should clearly indicate the lead firm (Lead Auditor) of the joint venture. Similar details of all the firms participating in the joint venture should be provided. In such instance responsibility for Quality Assurance of the assignment in accordance with Engagement & Quality Control Standards promulgated by ICAI shall continue to vest with the Lead firm, with particular reference to standards on relying on work done by other auditors and maintenance of working papers.
4. **Single Proposal:** A firm should submit only one proposal. If a firm submits or participates in more than one proposal, all such proposals shall be disqualified.
5. All agencies must comply with the Technical Specification, General Conditions and Format/Requirements for Technical and Financial proposal.
6. The Technical Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.
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. Financial bids of only those firms who qualify in the Technical Proposal would be opened for evaluation.. .
9. The bid amount shall constitute the sole criteria for evaluation of financial bids .
10. Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorised signatory of the firm.
11. All blank spaces in the financial proposal must be filled in completely where indicated, either typed or written in ink.
12. GVK EMRI reserves the right to accept or reject any application without giving any explanation and change the evaluation criteria as per its requirements in the interest of the organisation.
13. The internal audit team should adhere to the office timing of GVK EMRI strictly
14. Award of Contract: On completion of selection process, the firm selected shall be awarded the contract of audit by issuing the Letter of Award (LOA). The firm should execute a Contract with the GVK EMRI States within 2 weeks of the award of the issuance of LOA. Based on the performance, the contract may be extended on yearly basis on mutual agreement .
15. Payment Terms :
 - a. CA Firm will be required to quote the professional fees as per the Annexure of Financial Bid given herewith. The rates invited will be inclusive of Traveling Expenses, Stationery Expenses, Communication Expenses and all other out of pocket expenditure relating to the said assignment. However, the Service Tax at the applicable rate may be added separately.
 - b. Fees will be paid on monthly basis on submission of Internal Audit Report. The professional fees shall be paid within 15 days from the receipt of the Internal Audit Report
16. Contract Termination :

In the event of gross negligence, irregularity, laxity or misconduct undue delay in submission of monthly reports on the part of the CA firms personnel, the contract may be terminated .The violation of any of the terms of reference will invoke penalty. It will be the responsibility of the CA firm to complete the assignment with full knowledge and experience of the work with proper care and time. Failure to do so leading to either undue delay or laxity or failure or incorrect report will make the CA Firm liable for being removed from the contract after issuing the notice of 15 days as well as disciplinary action.

Technical Proposal:

- i. Letter of Transmittal (**Form T-1**)
- ii. Details of the Firm along with Details of Partners (**Form T-2**),
- iii. Details of Qualified Staff & Semi-qualified Staff (**Form T-3**),
- iv. Description of Approach, Methodology & Work Plan for performing the Audit of GVK EMRI States (**Form T-4**)
- v. Brief of the relevant experience (**Form T-5**)

Financial Proposal:

- i. The financial bid shall be submitted only for the professional (audit) fee to be charged by the firm. This audit fee shall be exclusive of taxes .The financial bid shall be submitted as per **Form F-1. (State wise fee should be quoted and all the boxes should be filled .Wherever the firm not bidding please mention "Not Bidding ")**
- ii. Single audit fee shall be quoted in case of Joint Venture or Associations.
- iii. Percentage (or proportion) of funds involved/turnover shall not be basis for quoting the audit fee.

Letter of Transmittal

To,

Dear Sir,

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

We are submitting our Proposal in association with: *[Insert a list with full name and address of each associated Audit Firm]*

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

The prices quoted by us in the Financial Proposal (Form F-1) are valid till six months from the date of submission of the quotation. We confirm that this proposal will remain binding upon us and may be accepted by you at any time before the expiry date.

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

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

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**Particulars/Details of the Firm**

S.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: Mobile of Head Office In-charge:
	Branch Office 1,2,3..... (Particulars of each branch to be given)	Phone No: Fax No: Mobile of Branch Office In-charge:
3	Firm Income Tax PAN No.	Attach copy of PAN card
4	Firm service Tax Registration No.	Attach copy of Registration
5	Registration No. with ICAI	
6	Empanelment No. with C & A G	Attach proof of latest empanelment with C&AG for the year under Audit.
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 balance sheet of the last three years or a C.A. Certificate.
9	Annual Average Turnover with Break-up of Fee towards Audit, Income Tax matters and others (Specify)	Provide a Chart
10	Audit Experience of the Firm: 1. No. of audit assignments of Internal /Statutory Audit of Corporate/PSUs entities except Bank Branch Audit having a turnover of not less than Rs 20 Crore <i>for the years for which</i>	Copy of the Offer Letter

	<p><i>the audit has been done</i> in the last 3 years.</p> <p>2. No. of assignments: Experience of audit of Externally Aided Projects/ Social Sector Projects (other than Audit of Charitable Institutions & NGOs) in the last 3 years</p>	Copy of the Offer Letter
11	<p>Details of Partners: Provide following details:</p> <ul style="list-style-type: none"> • Number of Full Time Fellow Partners associated with the firm. • Name of each partner, • Date of becoming ACA and FCA • Date of joining the firm, • Membership No., • Qualification • Experience • Whether the partners is engaged full time or part time with the firm. 	Attested copy of Certificate of ICAI as on 1.1.2013.
12	If applying in Joint venture, then provide similar details for the firms participating in Joint venture.	Letter jointly signed by all the firms participating in Joint venture whereby they have agreed for the Lead Auditor.
13	Indicate the Lead Auditor in the Joint Venture.	Letter jointly signed by all the firms participating in Joint venture whereby they have agreed for the Lead Auditor.

Form T-3

A. Details of Qualified Staff (Chartered Accountants)

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

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

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

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

Form T-4

Description of Approach & Work Plan for performing the Audit of GVK EMRI

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.

Name of the Auditee Organization	Turnover of the Auditee organization	Type/Nature of 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. **Work Plan**: The firm should propose the main activities of the assignment, their content and duration, phasing and inter-relations, milestones 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.

Form T-5

Brief of Relevant Experience:

Experience of audit in relation to Externally Aided projects/ Social Sector Projects (Excluding the audit of Charitable Institutions and NGOs)

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

Form F-1

FORMAT FOR FINANCIAL BID

Item or Activity	Total Amount	South				West & Central			East		North		
		Andra Pradesh	Tamil Nadu	Karnataka	Goa	Gujarat & Dadra Nahar	MP	Chhattisgarh	Assam	Meghalay	Uttarakha	HP	Rajasthan
AUDIT FEE (Exclusive of , Service Tax and cess on Service tax)	Both in Numeric and in Words.												
	Rs. _____												
	(Rupees												

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

Percentage of funds involved shall not be a basis of quoting the Audit Fee.

Signature of the Authorised signatory

Date.....