

Government of Tamil Nadu
Tamil Nadu Urban Health Care Project

From,
Dr.(Tmt).S.Uma, I.A.S,
Project Director,
Tamil Nadu Urban Health Care Project,
No:359, Anna Salai,
DMS Annex Building,
Teynampet, Chennai-600 006

To,
As per List & CAG's Approved
Chartered Accountant's also.

Ref.No.3947/FMC/JICA/APP-Auditor/2021 Dt.08.10.2021

Madam/Sir,

Sub: Tamil Nadu Urban Health Care Society-executing the TNUHP (Supported by JICA)- Appointment of Statutory **Auditor/s for TNUHP** – for the Financial Year 2020-21, 2021-22 & 2022-23-Quotation called for-Reg

Ref: G.O.(Ms)No:188/H&FW (EAPII-1) Department, Dt:18.05.2017.

It is informed that as per the G.O.(Ms) No:217/H&FW (EAPII-1), Dept, Dt:08.09.2016, the Government ordered the establishment of Tamil Nadu Urban Health Care Society which is executing the Tamil Nadu Urban Health Care Project (TNUHP), funded by JICA, under the control of the Project Director, Tamil Nadu Urban HealthCare Project, Chennai. The Budget allocation by the Government per Financial year around Rs.150 to 200 Crores for this Project, to be completed in 7 years duration.

2. To have the statutory Audit Systems on the auditing of the accounts of the aboves aid project, the Government sanctioned for appointment of Statutory Auditor/s.

3. Accordingly, the Tamil Nadu Urban Health Care Society seek to engage the services of an experienced and reputed Audit Firm to provide Statutory Audit to the Society.

4. The criteria for selection of the Statutory Auditor/s who are applying for the said assignment called for by way of limited tender is given here under.

A. Eligibility Criteria

1. The Firm shall be in existence for more than 10 years.
 - 2.The Firm shall have a minimum 5 fulltime Partners.
 - 3.The Firm shall have presence in Chennai with at least 3 Partners based in Chennai to handle the audit.
 - 4.The Firm shall have a turnover of Rs. 2 crores in Audit Fees and total or more in each of the last three financial years.
1. The Firm or any Partner of the firm should not have been blacklisted by any Govt. Dept, C & AG, PSU or any other Govt undertaking in respect of any assignment or behavior. The Firm or members of the same Network should not be serving any ban period imposed by any Regulatory authority. A self-declaration in this regard must be provided at the time of appointment.
 2. The Firm must have professional experience of minimum two years in working with Government Departments, PSUs, Societies established by the Government of Tamil Nadu.
 3. The Firm/Partners shall have familiarity with Government Procedures and exposure to latest accounting and audit norms/guidelines and experiences.
 4. The Firms profile should be enclosed in detail and without details of profile the quotation will not be entertained.

B. About the project - As per **Annexure-I.**

C. Scope of the Statutory Audit

The specific areas of coverage of the Statutory audit stipulated by the Government are enclosed as Terms of Reference as per **Annexure-II**

D. Timelines

The Audit Firm shall adhere to the Statutory timelines in consultation with the Tamil Nadu Urban Health Care Society.

E. Payment

The payment shall be made on completion and submission of signed Audit Report for the Financial Year.

F. Other Conditions

1. The Project Director, Tamil Nadu Urban HealthCare Society reserves the right to accept or reject any or all bids without assigning any reasons at any time before issue of 'letter of appointment'.
2. The selection will be purely on quality based instead of fee-based evaluation.
3. The delay in receipt of the quotations through hand delivery/courier / postal authorities and the rejection of the bids due to the said reasons, the Tamil Nadu Urban HealthCare Society is not responsible.
4. The selected Firm of Chartered Accountant/s shall take up the assignment of Statutory Auditor within a week's time from the date of issue of the appointment letter.

The Audit Firms, desirous of providing Audit Services in compliance with the above requirement, are requested to send their proposals in a sealed cover super scribed as **"Quotation for Appointment of statutory Auditor"** addressed to the Project Director, Tamil Nadu Urban HealthCare Society, No.359, Anna Salai, DMS Annex Building, Teynampet, Chennai 600006, **on or before 15 hrs on 29.10. 2021.**

For any clarification, contact: FA & CAO., TNUHP – Contact No.9445030707

The bids would be opened on 01.11.2021 at 15.30 hrs.

After evaluation of the Eligibility Criteria, the Bids of the bidders who satisfied the Eligibility Criteria would be considered for ranking based on their financial quote and selected, firms would be intimated in due course.

Sd/**
Project Director

Encl: About the Project & Scope of Statutory Audit

Copy to: JICA Section, TNUHP Chennai-6
For Project Director

**Appointment of Statutory Auditor/s for
Tamil Nadu Urban Health Care Society
About the Project**

- 1) In order to execute this project, "The Tamil Nadu Urban Healthcare Society" was established on 24TH July 2017 under the Tamil Nadu Societies Act. (174/2017)
- 2) This Project is funded by Japan International Co-operative Agency (JICA)

3) Objects of the Society

The objects of the society shall be to assist the Government of Tamil Nadu to improve the quality of Health Services in urban areas through,

- a. Strengthening the capacity of the key Hospitals with up gradation of infrastructure facility and equipment.
- b. Strengthening the capacity of Human Resources with the focus on Non-Communicable Diseases thereby improving the Health of People in the state of Tamil Nadu.

4) Functions

The functions of the Society defined in its Memorandum of Association.

5) Source of Funds

- i. Allocation of funds through Tamil Nadu Government State Budget
- ii. Utilizing the said funds, TNUHP will carry out their objectives and get reimbursement from JICA regularly in accordance with the Loan Agreement entered with them.
 - Consultants' fee – Consortium of Consultants appointed to implement this Project on the directives of Tamil Nadu Urban Health Care Society
 - Procurement of Equipment through Tamil Nadu Medical Services Corporation (**TNMSC**)
 - Construction of Hospitals through Public Works Department (**PWD**) of the Government of Tamil Nadu.

6) Accounts

The society is maintaining Bank Account for this Project with Canara Bank. The Accounts are maintained in Tally Accounting Software.

Sd/**

Project Director

Scope of the Statutory Audit

- a. An assessment of the adequacy of the financial management systems, including internal controls in the implementing entities, under the Project. The first such review of financial management systems shall include the activities since the commencement of the Project and thereafter this would be done continuously every month. This would include all aspects such as adequacy and effectiveness of accounting and adequacy of the financial records, financial and operational controls and any need for revision: level of compliance with established policies, plans and procedures, reliability of accounting systems, data and financial reports, methods of remedying weak controls or creating them where they are non-existent, verification of assets and liabilities:
- b. An assessment of compliance with provision of Loan agreement with JICA/ Government of India / Government of Tamil Nadu especially on JICA Loan details such as Eligible, Availed and Balance available.
- c. That the JICA funds received under the Project has been used in accordance with the terms of the Loan agreement and utilized only for the purpose for which the Loan is provided for.
- d. That counterpart funds have been provided and used in accordance with the relevant Loan agreement, which due regard to economy, efficiency and only for the purpose for which they were provided.
- e. That adequate records are maintained regarding the assets created and assets acquired by the programme including details of cost, identification, and location of assets. Carry out physical verification of sample of assets created out of the programme and comment on its utilization.
- f. That expenditure incurred for the Project are eligible expenditures, have been correctly classified and accounted within the approved budget.
- g. The Civil Construction, procurement of Equipment /goods and services, contracts funded have been procured in accordance with the JICA Loan agreements and agreed procedure and procurement guidelines.
- h. That all necessary supporting documents, contracts, records, and accounts have been kept in respect of all Project activities, and that clear linkages exist between accounting records, accounts books, and Project Financial Statements.
- i. Review the report of the Concurrent Auditors and offer comments if any.
- j. Suggestion for improvement of the functions of the Society and Account keeping of all the financial transactions of the Project.
- k. Providing of professional opinion about the present method of Financial Management systems including accounting process, internal controls, statutory compliances, ensuring to fulfilling obligations with various implementing entities.
- l. Reporting will be done in accordance with the Indian Acceptable Accounting Standards. The statutory Auditors shall provide periodical reports – at least once in a quarter to the Project Director highlighting their findings to enable project management to take timely /appropriate action.
- m. Review the Minutes of the Executive Committee/ General Body and other meetings.

- n. Verification of the following Statutory Registers maintained by "The Tamil Nadu Urban Healthcare Society" –
- i. Members Register.
 - ii. Proceedings Register of the General body.
 - iii. Proceeding Register of the Executive Committee.
 - iv. Cash Book, Bank Book and General Ledger.
 - v. Records of the Employees of the society.
 - vi. Records of the Accounts and Claims.
 - vii. Stock Register.
 - viii. All records required for proper and systematic running of the society; and
 - ix. Such other records as may be specified by the Society or Executive Committee
- o. Assisting in preparation of the Statement of Receipts and Payments, Income and Expenditure and Balance sheet with Notes on Accounts.
- p. Attending the EC/GB meetings on invitation and provide necessary clarification required if necessary.
- q. Providing of all guidance on compliance matters
- r. The statutory auditor/s ensures to file all the IT returns periodically within the stipulated time and submit a report to the management periodically. The IT notices wherever received necessary reply may also be attended.
- s. Providing any other assistance as required by the Project Director/ FA & CAO

Sd/**
Project Director

Tamil Nadu Urban Health Care Project-Appointment of Statutory Auditor
Ref No:3947/FMC/JICA/AAP/2021

Chartered Accountant list

M/s.A R KRISHNAN & ASSOCIATES 4A, RAY TOWERS, NO.2, VADAVOOR SALAI, 9TH CROSS THILLAINAGAR, TRICHY-620018 TAMIL NADU	M/s.G C DAGA & CO 14 VEERAPPAN STREET SRI BALAJI COMPLEX 2ND FLOOR, SOWCARPET, CHENNAI-600 001 TAMIL NADU
M/s.G NATESAN & CO CHAMPAK MAHAL 7/1 FOURTH STREET ABIRAMAPURAM, CHENNAI-600 028 TAMIL NADU	M/s.N RAJA & ASSOCIATES FLAT NO 8 FIRST FLOOR V K MANOR NO:8 GOPALAKRISHNA ROAD T NAGAR CHENNAI -600 017 TAMIL NADU.
M/s.D.Kalaivanan & Co NO 35A/B, UNNAMALAI AMMAL STREET NORTH USMAN ROAD, T NAGAR, CHENNAI - 600017 TAMIL NADU	M/s.S MADHAVAN & ASSOCIATES NO.332-A ARCOT ROAD 3RD FLOOR VADAPALANI CHENNAI-600026, TAMIL NADU
M/s.K GOPAL RAO & CO NEW NO 21 OLD NO 9/1 MOOSA STREET T NAGAR, CHENNAI-600 017 TAMIL NADU	