

I/137351/2024

**Kerala State Backward Classes Development Corporation Ltd.
(Department of Backward Communities Development)
Govt. of Kerala undertaking**

Notice inviting
TENDERS FOR APPOINTMENT OF INTERNAL AUDITORS

**Kerala State Backward Classes Development Corporation Ltd.
(Department of Backward Communities Development)
Govt. of Kerala undertaking**

NOTICE

**INVITING TENDERS FROM CHARTERED ACCOUNTANT FIRMS FOR
INTERNAL AUDIT OF THE COMPANY FOR THE FY 2023 -24**

Kerala State Backward Classes Development Corporation Ltd, *herein after called as the Corporation or Company or KSBCDC Ltd*, invites online bids through e-procurement portal 'www.etenders.kerala.gov.in' from Partnership firms/LLPs of Practicing Chartered Accountants in India, *hereinafter called as Bidder or Firm*, who fulfill the eligibility criteria as mentioned hereunder and are willing to be appointed as Internal Auditors in the Corporation for conducting Internal audit of Head Office, District Offices and Sub District Offices of the Corporation for the financial year 2023 - 24.

Name of work	Appointment of Internal Auditor for the FY 2023-24
Period of work	One year (1)
Type of Tender	Two Bid System (Technical Bid and Financial Bid) through e procurement portal www.etenders.kerala.gov.in
Tender Fee	Rs 1180/- (18% GST inclusive)
Earnest Money Deposit (EMD)	Rs 12500/- (Rupees Twelve Thousand Five Hundred Only)
Period of bid validity	90 days
Opening date & time of submission of bids.	17.01.2024
Last date & time of submission of bids	05.02.2024; 3:00 PM

I/137351/2024

The Corporation intends to appoint Partnership firms/LLPs of Practicing Chartered Accountants in India as Internal Auditors in the Corporation for conducting Internal audit of the below mentioned units:

Sl. No	Name of Unit	District	Address
1	Head Office	Thiruvananthapuram	The Managing Director KSBCDC T.C. 27/588 (7)&(8), "SENTINEL", 2nd Floor, Pattoor, Vanchiyoor P.O, Thiruvananthapuram. 35
2	Thiruvananthapuram (TVM)	Thiruvananthapuram	The Manager District Manager KSBCDC, Chalakuzhi Line, Trida Complex, IInd Floor Medical College Thiruvananthapuram-11
3	Neyyattinkara (NTA)	Thiruvananthapuram	The Manager Sub District Office, KSBCDC M.R.Arcade, 1 st Floor Railway Station Road Neyyattinkara Thiruvananthapuram- 695121
4	Varkala (VAK)	Thiruvananthapuram	The Manager, KSBCDC, Sub District Office, KSBCDC, LalsArchade, Palachira Jn. Varkala P.O., Thiruvananthapuram- 695143
5	Kollam (KLM)	Kollam	The Manager KSBCDC SNDP YOGAM Building Opp.S.N.Women's College, Kollam-
6	Karunagapally (KPY)	Kollam	The Assistant Manager

I/137351/2024

			Sub District Office, KSBCDC Kurichiyil Building 2nd Floor, Karunagapally Kollam - 690 518
7	Pathanapuram (PPM)	Kollam	The Manager Sub District Office, KSBCDC Baba Sahib Centre Opp to Town Juma Masjid KP Road Pathanapuram- 689695
8	Pathanamthitta (PTA)	Pathanamthitta	The Assistant Manager KSBCDC, 1st Floor, Bank of Baroda Building Near Head Post Office, College Road, Pathanamthitta-689645
9	Adoor (ADR)	Pathanamthitta	The Manager Sub District Office, KSBCDC Adoor, 1st Floor, Chittundayil Tower, Konnamangara, Near KSRTC Stand, Adoor, Pathanamthitta-691523
10	Alappuzha (ALP)	Alappuzha	The Assistant General Manager, KSBCDC, Soumya Complex, Vellakkinar Junction, Civil Station Ward Head Post Office, Alappuzha
11	Harippad (HPD)	Alappuzha	The Assistant Manager, KSBCDC, Sub District Office, SNDP Union Building Kacheri Jn. Harippad Alappuzha.
12	Cherthala (CTL)	Alappuzha	The Assistant Manager Sub District Office, KSBCDC Salu Shopping Complex

I/137351/2024

			1st Floor, X-ray Junction Cherthala, Alappuzha
13	Kottayam (KTM)	Kottayam	The Assistant General Manager KSBCDC, Bldg. No. 11/696 Erayil Kadavu, Kottayam.
14	Kanjirapally (KNP)	Kottayam	The Assistant Manager Sub District Office, KSBCDC Madukkakuzhi Arcade Kurisinkal Junction Kanjirapally Kottayam - 686 507
15	Idukki (IDK)	Idukki	The District Manager KSBCDC, Idukki Colony P.O., Cheruthoni Idukki - 685602
16	Nedumkandam (NKM)	Idukki	The Assistant Manager Sub District Office, KSBCDC Immanuel Building, 2nd Floor, Nedumkandam P O, Idukki - 695553
17	Ernakulam (EKM)	Ernakulam	The Assistant General Manager, KSBCDC Paramara Shopping Complex Ernakulam North-18
18	Moovattupuzha (MVPA)	Ernakulam	The Assistant Manager Sub District Office, KSBCDC Kabani Arcade, Thodupuzha Road Moovattupuzha Ernakulam - 686 661
19	Thrissur (TSR)	Thrissur	The Assistant General Manager, KSBCDC, 2nd Floor Sakthan Arcade, Sakthan Nagar, Thrissur - 680 001
20	Chelakkara	Thrissur	The Assistant Manager,

I/137351/2024

	(CHLA)		KSBCDC, Sub District Office, Chelakkara M/s Mounthira Shopping Mall Pvt Ltd, Ground Floor Thrissur
21	Palakkad (PKD)	Palakkad	The Assistant Manager KSBCDC, KTV Towers, MukkonathuParambu, Near Yakkara Railway Gate, West Fort Road, Palakkad -678001
22	Pattambi (PTB)	Palakkad	The Assistant General Manager, KSBCDC, Sub District Office Alex Archade, Mele Pattambi Palakkad-679 306.
23	Vadakkancheri (VDCY)	Palakkad	The Assistant Manager Sub District Office, KSBCDC Panchayath Shopping Complex Building Indira Priyadarshini Bus Stand, Vadakkancheri Palakkad - 678683
24	Malappuram (MPM)	Malappuram	The Assistant General Manager, KSBCDC, No. 23/277, J&K Building Munduparamba, Malappuram
25	Wandoor (WDR)	Malappuram	The Assistant General Manager, KSBCDC, Sub District Office, Wandoor, Kunnummal Building, Near Sub Treasury, Manjeri Road, Wandoor, Malappuram.
26	Tirur (TIR)	Malappuram	The Assistant Manager, KSBCDC, Sub District Office, Tirur, Builders Tower, Ezhur Road, Near Savera Hospital Tirur, Malappuram – 1
27	Kozhikode (KKD)	Kozhikode	The Assistant General Manager, KSBCDC, II nd Floor Vikas Buildings, Link Road, Kozhikode-2.

I/137351/2024

28	Nadapuram (NDPM)	Kozhikode	The Assistant Manager Sub District Office, KSBCDC Skyline building, Near Registrar office, Nadapuram P.O,673504
29	Perambra (PBA)	Kozhikode	The Manager Sub District Office, KSBCDC Perambra, Mini Civil Station Perambra, Kozhikode - 673525 Phone-0496-2965800
30	Wayanad (WYD)	Wayanad	The Assistant Manager KSBCDC, Nr. PBM Hospital Meenangadi, Wayanad
31	Mananthavadi (MND)	Wayanad	The Assistant Manager Sub District Office, KSBCDC MVG Son's Arcade Ambedkar Road, B Street Junction, Mananthavadi Wayanad - 670645
32	Kannur (KNR)	Kannur	The Assistant Manager KSBCDC, T.K. 378/J Padannapalam Road Kannur - 670 001
33	Thalassery (TLY)	Kannur	The Assistant Manager Sub District Office, KSBCDC, CPC Complex Keezhanthimukku Chirakkara Thalassery, Kannur - 670 103
34	Kasargod (KSGD)	Kasargod	The Assistant Manager KSBCDC, Bldg.No. KNC XI/346 A-17, Highlane Plaza, Anabagilu, M.G.Road, Kasargod.
35	Kanhagad (KHD)	Kasargod	The Assistant Manager Sub District Office, KSBCDC SN Arcade, 1st Floor Behind Old bus stand Kanhagad, Kasargod -671

I Eligibility Criteria for the selection of bidders:

- i. The bidder should be registered with “The Institute of Chartered Accountants of India (ICAI)” (Copy of self-attested registration certificate to be enclosed).
- ii. The bidder should be empanelled with the Comptroller and Auditor General of India (Copy of the empanelment certificate issued by C&AG to be enclosed)
- iii. The bidder should have been in practice for minimum 15 years after its registration and should have at least 5 years’ experience in Internal Audit of Companies.
- iv. The bidder should have conducted internal audit of at least two Central PSU/ State PSU having paid up capital of Rs.100 Crore or more and internal audit of one firm/ autonomous body having minimum turnover of Rs. 50 Crore during the last 5 Years.
- v. The bidder should have a minimum average annual turnover of Rs. 50 lakh during the previous 3 financial years with an annual turnover of Rs.50 Lakh in the last financial year.
- vi. In addition to the partners, the bidder should have a strength of atleast 10 professional staff members (including qualified Chartered Accountants and, Audit and Articled Assistants with knowledge of auditing, book-keeping and Accountancy) to be engaged in on-site audits of KSBCDC, at a time.
- vii. The bidder should have its Registered /main office within the State of Kerala.
- viii. The bidder should have not been debarred/ blacklisted/disqualified from audit of any Government Company /PSU/statutory body for corrupt or fraudulent practices.
- ix. The bidder should not be disqualified u/s 141(3) of the Companies Act, 2013.

- x. The Bidder should have Income Tax Permanent Account Number and GST Registration.
- xi. There shall be no proceedings pending against the Bidder with respect to professional matters of conduct before the Institute of Chartered Accountants of India or any competent authority or any Court.
- xii. The license of the proprietor / key person of the partnership concern should have been issued for full time practice by the Institute of Chartered Accountants of India.

II About the Company

Kerala State Backward Classes Development Corporation Ltd (KSBCDC) is a Private Limited Company registered under the Companies Act 1956 came in to existence on 28th February, 1995, having its Registered Office at Thiruvananthapuram. The Company is fully owned by the Government of Kerala. The Corporation is also a Non-Banking Finance Company registered with the Reserve Bank of India in the Non-Deposit taking Systemically Important category, now in the Middle layer. The Corporation has its Head Office at Thiruvananthapuram and have offices in all the 14 Districts of the State and 20 Taluk level Sub District Offices.

Authorized Share Capital of the Company is Rupees 200 Crores and the paid-up capital is Rupees 151.138 Crores. KSBCDC Ltd is the State channelizing agency of Three National agencies – National Backward Classes Finance Development Corporation (NBCFDC), National Minorities Development Finance Corporation (NMDFC) and National Safai Karamcharis Finance Development Corporation (NSKFDC). It focuses on the implementation of various schemes for the welfare of backward classes and minorities in the State.

III Business

The Company is primarily engaged in financial lending to people belonging to backward and minority communities living below double the poverty line for setting up of employment ventures. The Company implements various schemes funded by National agencies including loan assistance for self employment, education loans, micro finance etc. Other assistance that are provided by the Corporation includes marriage assistance, assistance for seeking foreign education, working capital, computer loan, house construction & maintenance, personal loan etc.

IV Terms and Conditions

The terms & conditions of offer for appointment of Chartered Accountant Firm (Bidder) for Internal Audit in the Corporation are as under: -

- a) The appointment shall be for a period of 1 year (ie for the financial year 2023-24).
- b) The periodicity of internal audit assignment will be for ONE YEAR with quarterly review of performance and the assignment might be extended based on the satisfactory performance of the bidder as judged by the Company.
- c) Mere submission of application does not, in any way, constitute guarantee for allotment of the audit work of any nature from the Corporation.
- d) Incomplete application or application without requisite enclosures will not be entertained and shall summarily be rejected without assigning any reasons whatsoever.
- e) The bidder will not sub contract/ sub assign the audit assignment.
- f) Only those applications which are received between the date of notice and the last date of receipt of bids will be considered.
- g) The Company reserves the right to accept or reject any application at any time or to alter or withdraw the bid at any time, without assigning any reason whatsoever.
- h) The Company will not accept or raise any claim other than professional fee/ charges etc specified in financial bid.
- i) Each page of the tender document is required to be signed by at least two Partners of the Firm, who shall be authorised to sign the tender document. The declaration, financial bid, documents, certificates in support along with the tender shall also be signed by the Partners.
- j) If any date mentioned above happens to be a holiday, then the next working day will be the relevant date.
- k) Tender shall be submitted in official tender document only. If submitted in any other form, the same shall be summarily rejected.

- 1) The Internal Audit Assignment will be terminated and the bidder will also not be considered for renewal of appointment for Internal Audit in the following cases:
 - i) If the bidder obtains the appointment on the basis of false information/false statement.
 - ii) If the bidder does not take up audit as per the terms of appointment letter within one month.
 - iii) If the bidder does not submit the Audit Report, complete in all respects, as per the terms of appointment within the stipulated time.
 - iv) If performance of the bidder is not found satisfactory.
 - v) If any fraud / embezzlement is detected subsequently and not reported by the Audit.
 - vi) Violation of any of the terms or conditions of this tender

V In addition to the above, the Firm will certify and ensure as follows: -

- a) The bidder is not disqualified under Sec.141 (3) of Companies Act, 2013.
- b) The bidder shall work in strict confidence and shall ensure that the Internal audit data and any other information in respect of the operation of the units is dealt with in strict confidentiality and secrecy.

VI Scope of the work and Responsibility of Bidder

The Firm shall review the internal controls mechanism, compliance of delegation of powers, whether the spending is judicious, whether there are any theft or fraud prone areas etc in the company deeply. Sudden check, physical verification, integrity check etc need to be done and suspicious transactions need to be tracked by the Firm. The Firm is expected to be innovative to bring out the best for the Company.

The audit will be conducted as per Standards on Internal Audit issued by The Institute of Chartered Accountants of India (ICAI) and in consultation with management of the Company. It is also important to ensure that all aspects are reviewed from proprietary angle and all expenses, cost and revenue need to be examined from this angle.

Policy decisions of the Company and procedures adopted should be reviewed and commented upon, including suggested changes, if any. Decisions of the Company adversely impacting profitability or inviting wastage of resources, if any, are to be brought out in the report. The Firm has to refer MoA & AoA, Delegation of Powers, Internal Audit Manual, Project Guidelines, Recovery Manuals, Scheme guidelines of the Company, Circulars issued from time-to-time etc for the audit.

The below are the scope of the works which are illustrative only.

A. General Scope

- a) Verification & vouching of all cash & Bank payment vouchers & journal entries with regard to Delegation of Powers, accounting, authorization, compliance with applicable legislations rules and policies etc. Check whether the payment vouchers are supported by proper supporting documents.
- b) Ledger scrutiny of all accounts to ensure whether all entries (Receipts and expenditure) are accounted under proper head and to report abnormal transaction(s), if any.
- c) Check and report all statutory compliances (payments, return filing and follow up) relating to income tax, Central Excise, Service Tax, Goods and Service tax, work contract tax, Company Law, Labour Laws like EPF, ESI, or any other Law or statutes applicable to the Corporation.
- d) Report the status of bank reconciliation and report if there is any unusual delay in accounting or delay in preparation of reconciliation statement.
- e) Interest calculations and procedure for short term investment/FDs of surplus funds.
- f) Verify whether contract payment is properly authorized as per D.O.P/Agreement and to ensure that payment is made after statutory deductions such as T.D.S, work contract tax/GST, applicable local taxes etc and other

deductions such as advances, security deposit, penalty etc in accordance with the work order awarded.

- i) Verify advances (both staff and others), its recovery /settlement and to report long pending advances.
- j) Scrutiny of payroll, ensure payment of correct salary by verifying attendance, leave, increments, statutory deductions etc.
- k) Verify the opening and maintenance of fixed deposits as per rules and procedures laid down by the Corporation.
- l) Verification of Fixed Asset register, physical verification of assets including land, buildings and other assets.
- m) Verification of tendering of all works etc. and report deviations from Government rules, norms, orders, circulars, instructions etc. viz Store Purchase Rules, CVC guidelines etc.
- n) Review of internal control system & procedure to ensure the adequacy, effectiveness & efficiency
- o) Review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensure the accuracy of the books of accounts
- p) Assess and review timely compliance of all statutory provisions and returns under applicable laws.
- q) Review of CSR activities of the Corporation in line with policy procedures and Companies Act.

B. Projects – Loan Scheme Implementation

General guidelines on scheme implementation contain detailed instructions for project implementation. Deviation, if any, noted in the following instructions contained in the guidelines shall be reported:

- a) Verify the adequacy of Loan security as per Head Office guidelines.
- b) Verify whether Income criteria and class/community criteria strictly followed in processing Loan applications.
- c) In case of Employment surety, confirmation of genuineness shall be ensured through registered post only.
- d) In case of collateral security like Landed property
 - i Legal opinion obtained-no defects/defects rectifying before acceptance.
 - ii Minimum extent of land as per rules
 - iii Land value is sufficient as per norms
- e) No inordinate delay in granting of loans and no

- f) overlooking of turn in sanctioning of loan.
Verify document register is properly maintained and all documents are serially numbered and kept under safe custody.
- g) Verify that before effecting payment (Loan disbursement), verification report is prepared by the Assistant duly verified and sanctioned by unit head.
- h) The security offered is as per the norms of the Corporation and stipulated under general guidelines.
- i) Proper verification regarding the identity of the loanees and sureties and their existing liabilities has been conducted and properly recorded by the respective authorities while recommending loan sanction.
- j) Collateral security/surety security was properly recommended and accepted by the Unit Head.
- k) Surety applications are properly filled up and signed by the surety and drawing officer duly affixed with office seal and date.
- l) That the agreement for recovery from surety is not conditional in case of surety where salary recovery is enforceable.
- m) Verify that the documents are properly signed by the loanee and sureties and that the signature in the surety applications is similar and identical to those in the document and the scrutiny note / verifying report contain a certificate to this effect.
- n) Verify that the surety bond/security bond is properly filled up and duly witnessed.
- o) In case of property security, legal opinion has been obtained, shows clear marketable title and the conditions if any contained has been cleared before executing document.
- p) Verify that Non-Encumbrance Certificate obtained up to the date of execution of security document.
- q) Verify that Title deed deposit Register is properly maintained and signed by the Unit Head before making payment.
- r) In case of fixed deposit received as surety, it has been duly discharged (stamped) and the KSBCDC's lien noted thereon.
- s) Verify that the required processing fee (including LDRF), postage, legal charges has been collected before making loan payment.
- t) Verify that the loan payment details entered in the Personal Ledger folio of the loanee.
- u) Verify that the title deed deposit register is properly

- maintained and signed by the unit head before making the payment.
- v) Verify that Non-Encumbrance Certificate up to the date of execution has been obtained before effecting payment.
 - w) Legal opinion from the panel of advocates obtained before accepting the property security.
 - x) Defects if any noted in legal opinion cleared before such acceptance.
 - y) Minimum extent of landed property required as per scheme guidelines is obtained for acceptance.
 - z) Amount as per Valuation Certificate is sufficient to cover loan amount as per scheme guidelines.
 - aa) Check whether all the names of surety accepted have been properly entered in the surety index Register.

Firm shall also see if the scheme implementation is progressing according to the pre-fixed targets.

All loan files above Rs.5 Lakhs shall be verified for compliance with all procedural formalities in sanctioning loans. In loan files less than Rs. 5 Lakh, random check can be adopted.

C. Security Bond/ Surety Bond

Verification of the following conditions in the Guidelines with respect to security bond/ surety bond also should be undertaken:

- a) The verification report tallies with the loan particulars.
- b) The sureties offered and accepted are as per norms stipulated under general guidelines on scheme implementation.
- c) That the sureties retire 18 months after expiry of the loan period.
- d) That proper verification as to identity of the loanee, surety has been conducted and recorded before making recommendation for loan disbursement.
- e) That the sureties were properly recommended and accepted by the unit head.
- f) That the surety applications are properly filled up and signed.
- g) That the Employment certificate and /or agreement for recovery from pay have been signed by the drawing and disbursing officer concerned and the office seal affixed there on with date.
- h) That the agreement for recovery from pay is not

conditional.

- i) That the security bond /surety bond are properly signed by the loanee and sureties and that the signature in the surety application are similar and identical to those in the security/surety bond.
- j) That the security/Surety bond is properly filled up and duly witnessed.

D. Finance & Accounts

The Firm shall thoroughly verify the Cash Book/Bank Book and report the following irregularities, if any:

- a) Ensure no irregular retention of money in the hands of any officer.
- b) Unremitted balance on the date of commencement of audit shall be verified and a certificate to that effect should be recorded by the Audit officer.
- c) The pass book/bank statement shall be verified thoroughly so as to ascertain that the entire entries are genuine. In case of doubt information shall be obtained directly from the bank about fund balance.
- d) Audit shall verify Bank Reconciliation Statement of all the bank accounts maintained by the unit/HO in tally / manually.
- e) Stock Register of valuable properties, priced forms, receipt books etc should be verified carefully. Correct stock position to be certified by the auditor.
- f) Audit shall also report that the Office Manager, Assistant Manager and other supervisory staff have exercised proper supervision over the working of the Office/Unit.
- g) Audit shall see the defects pointed out in the previous report have been remedied and if not report.
- h) Audit on Travel Bills
 - i) Audit shall see imprest cash system has been maintained in the unit office.
 - j) Check payment vouchers on test basis
 - k) Check that the log books are maintained properly giving relevant details such as the places travelled, purpose, meter readings, fuel filling etc. signed by the driver and the Authorized person.
 - l) Check Fixed Deposit receipts against bank statements and also check whether interest accrual certificates are collected and accounted for.

- m) Check Bank reconciliation statement and report if any un reconciled amount lying unadjusted.
- n) Check the Income Tax, GST, PF deposits and all statutory deductions & remittances.

E. GST Payment, Returns filing and Input credit

- a) Verify whether returns as applicable have been filed within the due dates
- b) Verify whether tax has been paid within the prescribed due dates
- c) Verify whether supply as per books of account matches with supply as per GSTR
- d) Verify whether input tax credit is taken based on eligible documents having all the prescribed particulars as per the rules made in this regard.
- e) Verify whether TDS on GST is deducted as per GST Law and timely payment of TDS done

F. Income Tax TDS

- a) Verify whether Income tax deducted at source has been paid within the prescribed due dates
- b) Verify whether returns as applicable have been filed within the due dates?

G. Loan Repayment Collection & Recovery

- a) Manual of recovery procedure contains elaborate procedure to be adopted in follow up action and ensure the unit office comply the stipulations contained thereon.
- b) Check whether notice issued invariably at the first instance of default.
- c) Verify whether registered notices were sent to defaulters in time.
- d) In case of returned registered notices, see whether the loanee/Sureties are of fictitious nature, if so report.
- e) Verify whether salary recovery notices were issued to the Drawing and disbursing officer in time and prompt follow up actions taken thereafter.
- f) See reminder notice issued to Drawing and disbursing office, when there is no response to the original salary recovery notice.
- g) In case the Drawing and disbursing officer is reluctant to effect recovery the matter is taken up with higher ups.

- h) See revenue recovery action is taken in case the default is huge and the party is reluctant to clear the dues.
- i) In revenue recovery initiated cases audit see the unit is closely watching the realization and making effective follow up action with revenue authorities.
- j) Audit to see defaulted dues are cleared before it become time barred.
- k) In case loan outstanding becomes time bar report the persons responsible for the laxity.
- l) Check the prefixed target (monthly collection target) for each unit and see the unit has taken all effective measures to achieve the target.
- m) In case the unit persistently and continuously fails to achieve the target, audit report shall contain specific remarks.
- n) Check all closed loanee accounts and verify all the dues cleared before releasing of documents.

H. Stock Register

- a) Firm shall see that forms, Stationery records, Registers etc and local purchases are properly entered in the Stock Register.
- b) Ensure along with quantity, value of each stock is recorded in the Register.
- c) Ensure that issue of stock is under proper acknowledgment from the staff concerned.
- d) Ensure physical verification of stock by the Unit Head periodically and record the fact of physical verification by the unit Head by way a certificate as required under law.
- e) Ensure no discrepancies in physical verification and stock as per records if so necessary correction recorded.

I. Fixed Asset Register

- a) Verify that all assets purchased are entered in the register numbered serially and properly maintained.
- b) Fixed assets classified properly as gross block, net block of assets.
- c) Verify physical stock of assets at the end of every year and certify it.
- d) Ensure the cost of assets purchased and the date of purchase are properly entered in Fixed Asset Register.
- e) Ensure depreciation provided under written documents value method and the close of the year.

The above work scope is only illustrative and not

exhaustive. The Company reserves the right to revise the same from time to time within the contract period.

The Firm should conduct risk-based assessment, identify the potential risk areas and based on the same, include other activities also in their scope of work.

Based on the Internal Audit activities performed, the Firm should suggest measures to the Company for enhancement of revenues, reduction in expenditure, strengthening of internal control systems and procedures, adoption of industry best practices, increase in operational efficiency and improvement in financial performance.

VII Report submission

The Internal Audit should be conducted on quarterly basis and the Firm will be required to submit quarterly audit reports to the Company.

The observations brought out in the report shall be discussed with the Managing Director/Managers/unit managers of the Company and based on satisfactory explanation/feedback provided, items, if any, of the report shall be dropped. The final audit report shall be submitted to the Company.

VIII Fees

The fee for the audit shall be quoted inclusive of all charges and expenses for the audit and excluding Goods and Service tax. Goods and service tax shall be shown separately in the financial bid.

IX Terms of Payment

The audit firm shall raise invoice after successful completion of audit and as per the work order. The Company shall make payment on receipt of such invoice in duplicate and based on the satisfactory completion of the work in sole discretion of the Company. 100% of the audit fee shall be released only after successful completion of audit and report submission of 4 quarters of all the units.

X Documents to be enclosed with bid

- a) Copy of Partnership Deed
- b) Copy of Empanelment Certificate issued by C&AG, New Delhi.
- c) Copy of Registration Certificate of ICAI.
- d) Certificate in proof of experience in internal audit as per eligibility criteria. (self-attested copy of the appointment letters from the auditee organizations)
- e) Copy of Audited financial statements for the last Three financial years certified by 2 Partners.
- f) Declaration that the firm is not debarred/ blacklisted by Government/PSU(Annexure II).
- g) Declaration that the firm is not disqualified U/s 141 (3) of Companies Act, 2013(Annexure II).
- h) Brief profile of the Audit firm (Annexure I)
- i) Copy of PAN Registration
- j) Copy of GST Registration

All copies submitted should be attested/certified by 2 Partners.

XI General Tender Terms & Conditions for e -Procurement

This tender is an e-Tender and is being published online for conducting Internal audit of Head Office, District Offices and Sub District Offices of the Corporation for the financial year 2023 - 24. The tender is invited in two cover system from the registered and eligible firms through e-procurement portal of KSBCDC of Kerala (<https://www.etenders.kerala.gov.in>).

Prospective bidders willing to participate in this tender shall necessarily register themselves with above mentioned e-procurement portal.

The tender timeline is available in the critical date section of this tender published in www.etenders.kerala.gov.in.

A) Online Bidder Registration process:

Bidders should have a Class II or above Digital Signature Certificate (DSC) to be procured from any Registration Authorities (RA) under the Certifying Agency of India. Details of RAs will be available on www.cca.gov.in. Once, the DSC is obtained, bidders have to register on www.etenders.kerala.gov.in website for participating in this tender. Website registration is a one-time process without any registration fees. However, bidders have to procure DSC at their own cost.

Bidders may contact E-Procurement support desk of Kerala State IT Mission over telephone at 0471-2577088/188/388 or through email: etendershelp@kerala.gov.in or helpetender@gmail.com for assistance in this regard.

B) Online Tender Process:

The tender process shall consist of the following stages:

- i) **Downloading of tender document:** Tender document will be available for free down load on www.etenders.kerala.gov.in. However, tender document fees shall be payable at the time of bid submission as stipulated in this tender document
- ii) **Publishing of Corrigendum:** All corrigenda shall be published on www.etenders.kerala.gov.in only and shall not be available elsewhere.
- iii) **Bid submission :** Bidders have to submit their bids along with supporting documents to support their eligibility, as required in this tender document on www.etenders.kerala.gov.in. No manual submission of bid is allowed and manual bids shall not be accepted under any circumstances.
- iv) **Opening of Technical Bid and Bidder short-listing** The technical bids will be opened, evaluated and shortlisted as per the eligibility and technical qualifications. All documents in support of technical qualifications shall be submitted (online). Failure to submit the documents online will attract disqualification. Bids short listed by this process will be taken up for opening the financial bid.
- v) **Opening of Financial Bids:** Bids of technically qualified bidders shall only be considered for opening and evaluation of the financial bid on the date and time which will be notified later.

C) Documents Comprising Bid:

- i) **The First Stage (Technical Cover based on 2 cover tender system):**

Pre-Qualification or Technical proposal shall contain the scanned copies of the following documents which every bidder has to upload:

- i) Copy of Partnership Deed
- ii) Copy of Empanelment Certificate issued by C&AG, New Delhi.
- iii) Copy of Registration Certificate of ICAI.
- iv) Certificate in proof of experience in internal audit as per eligibility criteria. (self-attested copy of the appointment letters from the auditee organizations)

- v) Copy of Audited financial statements for the last Three financial years certified by 2 Partners.
- vi) Declaration that the firm is not debarred/ blacklisted by Government/PSU(Annexure II).
- vii) Declaration that the firm is not disqualified U/s 141 (3) of Companies Act, 2013(Annexure II).
- viii) Brief profile of the Audit firm (Annexure I)
- ix) Copy of PAN Registration
- x) Copy of GST Registration

All copies submitted should be attested/certified by 2 Partners.

KSBCDC doesn't take any responsibility for any technical snag or failure that has taken place during document upload.

The qualification for selecting a bidder will primarily depend upon the level of expertise and experience, capacity and capability of the bidder to successfully execute the Internal Audit assignment for KSBCDC Ltd.

Non-fulfilment of the prescribed Technical Evaluation Criteria and not providing any of the requisite documents or furnishing incomplete/incorrect submissions as per the above list would lead to disqualification of bid and no correspondence whatsoever would be entertained by KSBCDC Ltd in this regard.

The bidders must comply with all criteria mentioned in the Tender and shall furnish all relevant documents in support of the information submitted in the bid. KSBCDC Ltd reserves the right to verify/evaluate the information submitted by the bidders independently and the decision of KSBCDC Ltd taken in that regard shall be final, conclusive and binding upon the bidder.

KSBCDC Limited reserves the right to call for clarification / submission of additional documents, if deemed fit, from the bidder.

It would be presumed that the Bidder has read, fully understood and accepted all the terms and conditions and instruction contained in the tender document and parts/annexure thereof if the bid is made/submitted.

- ii) **The Second Stage** (*Financial Cover or as per 2 cover system*):

The Bidder shall complete the Financial bid as per format given for download along with this tender.

Note: The blank price bid should be downloaded and saved on bidder's computer without changing file-name otherwise price bid will not get uploaded. The bidder should fill in the details in the same file and upload the same back to the website.

Fixed price: Prices quoted by the Bidder shall be fixed during the bidder's performance of the contract and not subject to variation on any account. A bid submitted with an adjustable/variable price quotation will be treated as non-responsive and rejected.

D) **Tender Fees**

The Bidder shall pay a tender fees of Rs.1000/- plus GST and Earnest Money Deposit of Rs.12500/-. The Bid security is required to protect the Company against risk of bidder's conduct, which would warrant the forfeiture of security.

If the tenderer is found ineligible after opening of tenders, his bid shall become invalid and tender fee shall be forfeited.

Online Payment modes: The tender document fees and EMD can be paid in the following manner through e-Payment facility provided by the e-Procurement system:

- i) State Bank of India (SBI) Internet Banking: If a bidder has a SBI internet banking account, then, during the online bid submission process, bidder shall select SBI option and then select Internet banking option. The e-Procurement system will re-direct the bidder to SBI's internet banking page where he can enter his internet banking credentials and transfer the tender document and EMD amount.

- ii) **National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS):**

If a bidder holds bank account in a different bank, then, during the online bid submission process, bidder shall select NEFT / RTGS option. An online remittance form would be generated, which the bidder can use for transferring amount through NEFT/RTGS either by using internet banking of his bank or visiting nearest branch of his bank. After obtaining the successful transaction receipt no., the bidder has to update the same in e-Procurement system for completing the process of bid submission. Bidder should only use the details given in the Remittance form for making a NEFT / RTGS payment otherwise payment would result in failure in e-Procurement system.

As NEFT payment status confirmation is not received by e-Procurement system on a real-time basis, bidders

are advised to exercise NEFT mode of payment option at least 48 hours prior to the last date and time of bid submission to avoid any payment issues.

For RTGS the timings that the banks follow may vary depending on the customer timings of the bank branches and settlement from RBI. Bidders are advised to exercise RTGS mode of payment at least 24 hours prior to the last date and time of bid submission to avoid any payment issues.

XII NEFT/RTGS payment should be done according to following guidelines:

- i) **Single transaction for remitting Tender document fee and EMD:** Bidder should ensure that tender document fees and EMD are remitted as one single transaction.
- ii) **Account number as per Remittance Form only:** Account no. entered during NEFT/RTGS remittance at any bank counter or during adding beneficiary account in Internet banking site should be the same as it appears in the remittance form generated for that particular bid by the e-Procurement system. Bidder should ensure that tender document fees and EMD are remitted only to the account number given in the Remittance form provided by-Procurement system for that particular tender.

Bidders must ensure that the banker inputs the Account Number (which is case sensitive) as displayed in the Remittance form. No additional information like bidder name should be entered in the account no. column along with account no. for NEFT/RTGS remittance.

Only NEFT / RTGS Remittance Allowed: Account to Account transfers, State Bank Group Transfers (GRPT), Payments from NRE Accounts, SWIFT Transfers, IMPS or Cash payments are not allowed and are treated as invalid mode of payments. Bidder must ensure that the banker does NEFT or RTGS (for above 2 lakhs payments as per RBI guidelines) transaction only and specially instruct the banks not to convert the payment type to GRPT or any other payment mode.

- i) **Amount as per Remittance form:** Bidder should ensure that the amount being remitted is neither less nor higher than the amount shown in remittance form.
- ii) **UTR Number :** Bidders should ensure that the remittance confirmation (UTR number) received after NEFT / RTGS transfer should be updated as it is, in the e-Procurement system for tracking the payment.
- iii) **One Remittance Form per Bidder and per Bid:** The remittance form provided by-Procurement system shall be

I/137351/2024

valid for that particular bidder and bid and should not be re-used for any other tender or bid or by any other bidder.

Any transaction charges levied while using any of the above modes of online payment has be borne by the bidder. The supplier/contractor's bid will be evaluated only if payment status against bidder is showing "Success" during bid opening.

E) SUBMISSION PROCESS:

For submission of bids, all interested bidders have to register online as explained above in this document. After registration, bidders shall submit their Technical bid and Financial bid online on www.etenders.kerala.gov.in along with online payment of tender document fees and EMD.

For page by page instruction son bid sub mission process, please visit www.etenders.kerala.gov.in and click "Bidders Manual Kit" link on the home page.

It is necessary to click on "Freeze bid" link/ icon to complete the process of bid submission otherwise the bid will not get submitted online and the same shall not be available for viewing/ opening during bid opening process.

Thiruvananthapuram
12.01.2024

Sd/-
Managing Director

TENDERS FOR INTERNAL AUDIT FOR THE FY 2023 – 24

TECHNICAL BID

Annexure I

Bidder's Profile

General Information

1	Name of the Bidder	

I/137351/2024

2	Date & Year of Registration of the Firm/LLP	
3	Registered/Main Office Address	
4	Registration No (FRN)	
5	Permanent Account Number	
6	GST Registration No	
7	No of full time Partners	
8	Name and address of Partners	
9	No. of qualified Chartered Accountants	
10	No of Articles/ Audit Clerks/ Audit Assistants	
11	No. of branches in Kerala (Attach a list along with address)	

Eligibility Criteria

1	Whether the firm meets all the eligibility criteria (Yes/No)	
2	No. of years of experience	
3	Date and year of registration of Chartered Accountants firm (dd/mm/yy)	

I/137351/2024

4	Whether firm is empanelled with C&AG (Yes/No)	
5	C&AG empanelment no.	
6	Whether firm has peer review by members of ICAI for any financial year (Yes/No). The year of peer review shall be mentioned.	
7	No. of Partners (as on the closing date of tender)	
8	No. of Chartered Accountant Employees (as on closing date of tender)	
9	No of Articles/ Audit Clerks/ Audit Assistants (as on closing date of tender)	
10	Whether the Chartered Accountants firm have its registered office in the State of Kerala.	
11	Whether the Chartered Accountants firm have an experience of conducting requisite no. of internal audit of eligible clients/organization (Provide list of eligible clients/organization along with their turnover financial year wise and enclose their appointment letters)	
12	Annual turnover of the firm for the last financial year. (Submit audited finance statement for the last Financial Year)	
13	Average annual turnover of the firm for the last Three financial years. (Submit audited finance statement for the last Three Financial Years)	

Details of Internal Audit done in the last 15 years

Name of Organisation	Type of Audit & Audit Period	Annual Turnover of the firm	Nature of Organisation (Govt PSU/autonomous)

I/137351/2024

	(Financial Year)		body/firm)

We, M/s.....(Name of the Internal Audit Firm), hereby certify that all information furnished by our Firm are true & correct and we shall abide by the terms & conditions set by the Company and in the event that the information is found to be incorrect/untrue or found violated, then your Company shall, without giving any notice or reason thereof, summarily reject the bid or terminate the contract, without prejudice to any other rights or remedy including the forfeiture of the full said earnest money deposit absolutely.

(Signatures and seal of the firm)

Annexure II

(In the Letter head of the Partnership Firm / LLP)

Declaration

We, M/s (Name of Internal Audit Firm), hereby give our consent to be appointed as Internal Auditor of your Company under the Companies Act, 2013. We hereby certify the following matters in the context of our appointment:

1. We have not been banned/de-listed/de-barred/ blacklisted/ disqualified by any PSU/Govt. Department / statutory body for corrupt or fraudulent practices.
2. We satisfy the conditions provided u/s 141 of the Companies Act, 2013.
3. We hereby declare that our firm is eligible for appointment and are not disqualified for appointment u/s 141(3) the Companies Act, 2013, the Chartered Accountants Act, 1949 and the rules made thereunder.
4. We hereby declare that there are no proceedings pending with respect to professional matters of conduct before the Institute of Chartered Accountants of India or any competent authority or any Court.
5. We shall work in strict confidence and shall ensure that the internal audit data and any other information in respect of the operation of the Company and/or any of its Units is dealt with in strict confidentiality and secrecy.

(Signature and seal of the firm)

Annexure III

TENDERS FOR INTERNAL AUDIT FOR THE FY 2023 – 24

FINANCIAL BID

Internal Audit fee for the financial year 2023-24

Particulars	Audit Fee	Total Audit Fee
-------------	-----------	-----------------

I/137351/2024

	(In Rupees)	GST @ 18% (In Rupees)	(In Rupees)