



KERALA STARTUP MISSION(KSUM)

**INVITATION OF EXPRESSION OF INTEREST FROM CHARTERED ACCOUNTANT'S FIRMS FOR
CONDUCTING STATUTORY AUDIT**

NOTICE INVITING EXPRESSION OF INTEREST

EOI NO: KSUM/SA/EOI/01/2024-2025

Date : 28/05/2024

EOI TO BE ADDRESSED TO:

**The Chief Executive Officer,
Kerala Startup Mission,
Thejaswani Building
Technopark, Kazhakootam PO, Trivandrum**

EOI SUBMITTED BY:.....

Note: KSUM reserves the right to cancel this request for EOI and or invite a fresh one with or without amendments, without liability or any obligation for EOI and without assigning any reason whatsoever. Information provided at this stage is indicative and KSUM reserves the right to amend/ add further details in the EOI.

About Kerala Startup Mission

Kerala Startup Mission (KSUM) (Formerly Technopark -Technology Business Incubator (T-TBI) is the state nodal agency of the Government of Kerala founded in 2006, with a goal to promote technology-based entrepreneurship activities and to create the infrastructure and ecosystem required to support high-end technology-based startup businesses. Looking back, the organization has been able to build a vibrant ecosystem allowing technology entrepreneurs to pursue their goals and dreams by providing them complete support in the areas of Incubation space, Seed loans & Grants, Business Investor connections & networking events/exhibitions, Fablabs and R&D facilities. Currently KSUM along with sector-specific partner organizations, can boast of 2200 + registered startups, 3 Lakh+ sq. feet of incubation space, 30+ incubators and 280+ innovation cells across various State cities and districts. KSUM has also branched out to support women entrepreneurs, Medical & Cancer Research, Driving Entrepreneurship for students by setting up IEDC cells in academic institutes and other state CSR activities. KSUM is registered as a Society under Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act, 1955.

Objective of this EOI

The objective of this EOI is to invite interest from the qualified bidders for conducting Statutory Audit of KSUM.

EOI Issuing Authority

This EOI is issued by the Kerala Startup Mission (KSUM) and selection through this EOI shall be final and KSUM reserves the right to reject any or all the EOI received without assigning any specific reason thereof.

EOI Initiator Details:

The Chief Executive Officer,
Kerala Startup Mission
G3B, Thejaswini, Technopark Campus,
Kariyavattom Trivandrum- 695581
Phone: 0471- 2700270
Email: ceo@startupmission.in
Website: www.startupmission.kerala.gov.in

Tentative Calendar of Events

Sl No	Milestone	Date & Time
1	Release of EOI	28. 05. 2024
2	Last date for submission of EOI	11. 06. 2024 @ 05pm
3	Opening EOI	12. 06. 2024 @ 01pm

Kerala Startup Mission invites applications on the undernoted prescribed format from Chartered Accountant firm to conduct Statutory Audit of the Society from the FY 2023-24.

1. Eligibility Criteria & Conditions for Engagement:

- a) The firm shall have a standing of at least 15 (Fifteen) years in the profession with at least 10 years of experience in statutory audit and should have handled internal and/or statutory audit of at least 7 (Seven) Nonprofit making entity/Societies/Companies in India during the last 5 years.
- b) The Annual turnover of the Chartered Accountant firm shall not be less than Rs 75 Lakhs in each of the last three financial years.
- c) The CA firm have a minimum of 5 full-time partners and 3 of them should be FCA.
- d) The Chartered Accountant firm should have conducted either statutory audit and/or Internal audit in the previous years of following organizations:
 - i. Statutory audit /Internal Audit of at least one PSU having turnover of 75 Crore or more, during the last 2 years.
 - ii. Conducted statutory audit /Internal Audit of Five (5) PSUs with multi-Locations/Offices / branches/units.
 - iii. Conducted Statutory audit of state Government organizations.
 - iv. Three (3) statutory bodies/Autonomous bodies with Annual Turnover of Rs 5 Crores each.
- e) The firm should not have been debarred/ blacklisted from audit of any Government company /PSU.
- f) The Chartered Accountant firm should have at least one of its offices in Thiruvananthapuram.

- g) No partner of the audit firm or any qualified employee of the firm shall be related to any member of the Governing Body/Executive Committee/Project Director/Registrar or any of the senior management staff of the KSUM. Related would mean husband, wife, brother, or sister or any lineal ascendant or descendant.
- h) The audit firm should not have any disciplinary orders issued against them by the ICAI. Also, any Partner of the audit firm shall not be associated with the audit in any manner if he/she,
 - a. has been found guilty of professional/other misconduct by the Institute of Chartered Accountants of India under the First or Second Schedule of the Chartered Accountants Act, 1949; or
 - b. is one against whom disciplinary sanction orders have been passed by the Public Companies Accounting Oversight Board.
- i) Please complete the **Annexure-I**.

2. Scope of Work.

As detailed in **Annexure -VI**

The firm shall submit a copy of the Statutory Audit report to the management of KSUM on time. The scope mentioned in the Annexure -VI is not exhaustive. Any other item of work in the domain of audit/accounts as may be assigned by KSUM is to be undertaken by the firm.

3. Terms and Conditions

The detailed terms & conditions of EOI for appointment for CA Firms for Statutory Audit in our organization is as under: -

- a. The appointment shall be for a period of one year. The firm appointed for statutory audit of the Society by giving separate appointment letter.
- b. CA Firms applying for appointment must submit along with application, the Copy of partnership deed, copy of registration certificate issued by the ICAI certifying the constitution of the Firm, their branches & date from which it is continuing as a Partnership Firm.
- c. The periodicity of this audit assignment will be for ONE YEAR and would be extended for a further period of ONE YEAR (Overall 2 years), based on the "Satisfactory Performance" of the CA firm.
- d. Mere submission of application does not, in any way, constitute a guarantee for allotment of the audit job of any nature from the Corporation.

- e. Incomplete Application or Application without Requisite Enclosures will not be entertained.
- f. The Audit Firm will undertake that they will not subcontract/ sub assign the audit assignment.
- g. Only those applications which are received between the date of notice and the last date of receipt of applications will be considered.
- h. KSUM reserves the right to accept or reject any application at any time without assigning any reason.
- i. KSUM will not accept any claim other than professional fee/ charges etc specified.
- j. Each page of the application & Tender document is required to be signed by the Partner of CA Firm. The documents/ Certificates in support along with the application shall also be signed by the Partner.
- k. If any date mentioned above happens to be a holiday, then the next working day will be the relevant date.
- l. Application shall be submitted in the given format only. If submitted in any other form, the same shall be summarily rejected.
- m. The Selection of the firms shall be based on different parameters like experience, exposure to audit of PSUs/Companies, quality of audits earlier done etc. The decision of the KSUM will be final.
- n. Errors or omissions or commissions noted is immaterial during the course of audit may be rectified on the spot.
- o. The Financial Proposal as per **Annexure-V** should be in a separate sealed envelope while submitting the application.
- p. The minimum fees for providing the required service of statutory auditing will be **Rs. 88,000 + GST**.

4. **Documents to be enclosed with bid.**

- a. Attested copy of Partnership Deed
- b. A self-attested copy of the latest firm constitution certificate issued by the ICAI (this certificate shall also act as evidence for verifying the Date of Constitution of the firm). This certificate should not be older than 30 days as on the date submission of Application.
- c. Certificate in proof of experience in statutory audit as per eligibility criteria (copy of appointment letter of Auditee Organization.) and proof of turnover of Auditee Organization. Client Reference list with contact details where the audit was conducted during the last 3 years.
- d. Statement that the firm is not blacklisted by not facing any legal proceedings against Government

Department/PSU/Bodies etc.

- e. Copy of Audited financial statements for latest 3 financial years certified by 2 Partners.
- f. Declaration that the firm is not debarred/ blacklisted by Government/PSU.
- g. Brief profile of the Audit firm & its Team
- h. GST certificate & PAN Card
- i. A certificate from the firm to the effect that no Partner of the firm has been found guilty of professional/other misconduct by the Institute of Chartered Accountants of India under the First or Second Schedule of the Chartered Accountants Act, 1949 or is one against whom disciplinary sanction orders have been passed by the Public Companies accounting Oversight Board. In case the firm has such partners, the firm provides details of such partners and certifies that they will not be associated with the audit in any manner.
- j. A Declaration signed by an authorized Partners of the audit firm verifying that the applicant is independent of the entity to be audited that they have no relationship with the entity to be audited (in particular, the auditor should not be employed by, serve as director for, or have any financial or close business relationship with the entity during the period(s) covered by the audit or immediately thereafter for a period of two years) for any purpose other than that for engagement as auditor for a subsequent period.
- k. All other necessary documents relating to those clauses which are not mentioned in the above a to e .

5. Selection Process

Selection Procedure:

The procedure for the selection of the agency will be carried out as detailed below, by a committee constituted by KSUM.

(a) Minimum Pre-Qualification Process: Only the firm that satisfies the eligibility criteria after initial screening will be considered. Others will be summarily rejected.

(c) Bidding Process

i) Technical Bid: Technical bid shall carry 70% weightage. The Technical Bids will be opened by the evaluation committee and marks will be given based on the criteria detailed in the Annexure VII. The Technical Marks obtained will be referred to as Technical Scores (St). Firm will be ranked on the basis of the Technical Score (St), and only firm who have scored **70** or more marks, will be qualified for financial evaluation. Individual element of the technical qualification will be decided by KSUM based on the tender document.

(ii) Financial Bid: Financial bid shall carry **30%** weightage. Financial bid is the amount in Indian Rupees which is being sought by a bidder from the Dept. for the statutory audit

assignment in the Financial Bid Proposal.

$$Sf = 100 \times Fm/F;$$

in which Sf is the Financial Score, Fm is the lowest Financial Proposal, and F is the Financial Proposal under consideration.

(iii) Combined Technical and Financial Score

For final evaluation, the firm will be ranked in accordance with their combined Technical (St) and Financial (Sf) scores with weightage. The Technical Score (St) will be given 70% weightage, and Financial Score (Sf) will be given 30% weightage, so that the combined Score will be:

$$S = St \times Tw + Sf \times Fw;$$

Where S is the Combined Score, and Tw and Fw are weights assigned to Technical Score and Financial Score that will be 0.70:0.30.

Selection of the agency

- (a) The firm with the highest Combined Technical & financial Score (S) will be selected, based on the above QCBS System. In the event of two or more firms obtaining the same highest Combined Technical & financial Score (S), the agency with maximum technical score will be selected.

6. Sealing & Marking of Application

The sealed proposal containing Expression of Interest (EOI) should be submitted in two parts i.e., Technical bid and Financial Bid (Annexure V). The technical bid envelope must be sealed and superscribed with "KSUM – EOI for conducting Statutory Audit – Technical bid" and the financial bid envelope must be sealed and superscribed with "KSUM – EOI for conducting Statutory Audit – Financial Bid". The name and address of the Applicant must also be mentioned on the body of the envelopes. Both these envelopes have to be put in a single cover after affixing proper seal and should be superscribed as "KSUM – EOI for appointment of Statutory auditor" and should reach the KSUM undersigned on before the time and date fixed, at the address mentioned above.

ANNEXURE -I**General Information**

1. Name of the Firm:
2. Registration No. of the Firm :
(Institute of Chartered Accountants of India)
3. Date of Registration of the Firm:
4. Details of Head Office & Branch Office

(s):Head Office

Address	Date of Establishment	Contact No.(s)/FAX	E-mail

Branch Office-1

Address	Date of Establishment	Contact No.(s)/FAX	E-mail

Branch Office-2

Address	Date of Establishment	Contact No.(s)/FAX	E-mail

Branch Office-3

Address	Date of Establishment	Contact No.(s)/FAX	E-mail

(Insert further Branch Office(s) if any)

5. Details of Partners in the Firm/Limited Liability Partnership:

Sl.No.	Name of the Partner	Membership No.	Membership Status ACA/ACMA/FCA/FCMA	CISA/DISA/ISA/ orequivalent qualification	Date of joining the firm as Partner
1					
2					
3					
4					

6. Details of Qualified Assistants

Sl.No.	Name of the Assistant	Membership No.	Membership Status ACA/FCA/CISA/DISA/ISA /or equivalent qualification	Date of joining the firm as Qualified Assistant
1				
2				
3				
4				

7. Details of Semi-Qualified Assistants

Sl.No.	Name of the Assistant	Whether Cost/Chartered Intermediate	Date of joining the firm as Semi Qualified Assistant
1			
2			
3			
4			

8. Details of other Experts

Sl.No.	Name of the Expert	Qualification	Date of joining the firm
1			
2			
3			
4			

9. Details of Experience in Statutory audit of private entities (Companies/NGOs/Nonprofit making entities/Societies/Trust/Firm/LLP)

Sl.No.	Name of the entity	Year of Audit	Turnover
1			
2			
3			
4			

10. Details of Experience in Statutory audit of PSUs & Govt entities (Companies/ Nonprofit making entities/Societies/Trust/Firm/Other statutory bodies)

Sl.No.	Name of the entity	Year of Audit	Turnover
1			
2			
3			
4			

11. Details of Experience in other Assignments

Sl.No.	Name of the Company/Unit	Year of Audit	Type of Audit
1			
2			
3			
4			

12. Details of turnover of the Firm/LLP

Sl.No.	Financial Year	Turnover
1	2022-23	
2	2021-22	
3	2020-21	
4	2019-20	
5	2018-19	

Note: Use additional sheets wherever necessary & necessary supporting documentation need to be submitted for every applicable criterias.

12. Income Tax Pan No. of the Firm :

13. GST registration No. :

Signature of Partner with Name
& Seal of the Audit Firm.

ANNEXURE -II***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/yyyy)	
4	Whether firm is empaneled with C&AG (Yes/No)	
5	C&AG empaneled 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 closing date of application)	
8	No. of Chartered Accountant Employees (as on closing date of application)	
9	No. of Article/Audit Clerks (as on closing date of application)	
10	Whether the Chartered Accountants firm have its office at Thiruvananthapuram.(Yes/No)	
11	Declaration regarding for Non- Blacklisting by State/UT/Central Govt./PSU (Submitted or not)	
12	Whether the Chartered Accountants firm have an experience of conducting requisite no. of statutory and/or internal audit of eligible clients/organization (Yes/No) (Enclose their appointment letters)	
13	Whether the Chartered Accountants firm have requisite turnover as per eligibility criteria (Yes/No)	

Note: Use additional sheets wherever necessary.

Signature of Partner with Name
& Seal of the Audit Firm.

Annexure-III - Self-declaration about non-blacklisting

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

We, M/s hereby certify that, we have not been banned/de-listed/de-barred/ blacklisted/disqualified by any PSU/Govt. Department / statutory body for corrupt or fraudulent practices.

(Signature and seal of the firm)

Annexure – IV Declaration

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

I, _____ Partner of the Firm _____, hereby certify that all information furnished by our Firm is true & correct and I shall abide by the terms & conditions set by the organization and in the event that the information is found to be incorrect/untrue or found violated, then your organization shall without giving any notice or reason thereof summarily reject the bid or terminate the contract.

(Signature and seal of the firm)

Annexure-V Financial Proposal Submission Format

Date

To

The Chief Executive Officer,
Kerala Startup Mission
G3B, Tejaswini, Technopark Campus,
Kariyavattom Trivandrum- 695581

Dear Sir/Madam,

Sub: Selection of Statutory Auditor of KSUM.

We, the undersigned, offer to provide the Statutory Audit services for KSUM. In accordance with your EOI dated 28.05.2024, we offer to provide the aforesaid services for the sum of _____ [Insert amount in words and figures] per annum. This amount is exclusive of GST but inclusive of out-of-pocket & all other costs and is the maximum amount payable to us from Financial Year 2023-24, in pursuance of this assignment.

We hereby accept to provide the Statutory Audit services to KSUM as per the terms and conditions for a further period of 1 year with a nominal hike in fee and understand that such extension is at the sole discretion of KSUM., depending upon our performance during the Financial Year 2023-24.

We understand you are not bound to accept any proposals you receive.

Yours sincerely,

Authorized Signature [In full and initials]:

Name and Title of Signatory:

Name of the Firm:

Address:

Annexure- VI**Scope of Work**

Audit of Books of accounts and ancillary records of the Society in the following area:

- i. Audit of accounts to provide a reasonable assurance that accounts of the Society give true & fair view.
- ii. Verification of day-to-day transactions details.
- iii. Vouching. Audit of transactions which involves examination of supporting documents, Concurrence and approval of the competent authority.
- iv. Checking of expenditures incurred with reference to the laid down procedures & delegation of powers and budgetary provisions.
- v. Scrutiny of all ledger accounts including cash books and Bank Reconciliation Statements.
- vi. Compliance of all statutory obligations like Income Tax TDS, GST, CWWF, Provident Fund & Professional Tax etc.
- vii. Verification of correctness of the Trial Balance including the verification of opening ledger balances.
- viii. Verification of schedule of assets & liabilities, utilization of govt grant, CSR fund spending and Spending from central govt support schemes & fixed assets purchases.
- ix. Auditing & certification of financial statements, Notes to accounts, Policies, and Income and Expenditure Statement.
- x. Supervising preparing balance Sheet with necessary notes and certification of the annual accounts for the period under audit.
- xi. Any other work needed for Accounts finalization.
- xii. All the activities & program of the Institute including students' activities and research projects, sponsored/funded projects, consultancies etc. will be covered in the audit.
- xiii. Providing opinion on the financial statement of the society and issue of audit report.

Annexure- VII**Methodology for Technical evaluation**

Sl. No.	Particulars	Points to be allocated	Maximum Points
1.	Year of Establishment of the Audit Firm/Limited Liability Partnership Firm	1 (one) per year in existence(fraction of the year to be ignored)	20 (Twenty)
2.	No. of Partners in the Firms / Limited Liability Partnership Firm who are with the Firm for a minimum period of one year as on date of application	a. 3 (three) for each Partner who is ACA b. 5 (five) for each Partner who is FCA	20 (Twenty)
3.	No. of Qualified Assistants (Chartered Accountant) employed with the Firm	2(two)per Qualified Assistant	10 (Ten)
4.	No. of Semi-qualified Assistants (CA / Cost Intermediate) employed with the Firm	1 (one) per Semi-qualified assistant	10 (Ten)
5.	Experience of the Firm in Public sector preferably under State Government entities as Statutory / Internal Audit	4 (four) per year of Audit (fraction of the year to be ignored)	20 (Twenty)
6.	Experience of the Firm in sectors / industries other than Public Sector under Central / State Government as Statutory / Internal Auditors	2 (two) per year of Audit (fraction of the year to be ignored)	20 (Twenty)
	Total Points		100 (Hundred)

Score in 100 will be converted to 70 .