



PB. No. 6515, COBANK TOWERS,
VIKAS BHAVAN P.O., PALAYAM
THIRUVANANTHAPURAM,
PIN-695 033

REQUEST FOR PROPOSAL (RFP)

**REQUEST FOR PROPOSAL (RFP) FOR ENGAGEMENT OF CHARTERED ACCOUNTANTS/
CHARTERED ACCOUNTANT FIRMS FOR CONDUCTING REVENUE AUDIT & TRANSACTION
PROCESS AUDIT AT SELECTED BRANCHES OF
THE KERALA STATE CO-OPERATIVE BANK LTD.**

KB/AID/TPA/RA/2025-2026 DATED 29-08-2025

**KERALA STATE CO-OPERATIVE BANK, HEAD OFFICE,
COBANK TOWERS, PB NO. 6515, VIKAS BHAVAN P O,
PALAYAM, THIRUVANANTHAPURAM, KERALA. PIN-695033**

**KERALA STATE CO-OPERATIVE BANK, HEAD OFFICE,
COBANK TOWERS, PB NO. 6515, VIKAS BHAVAN P O,
PALAYAM, THIRUVANANTHAPURAM, KERALA. PIN-695033**

NOTICE INVITING TENDERS

Appointment of Auditors for Transaction Process Audit & Revenue Process Audit

Kerala State Co-operative Bank Ltd invites e-tenders from eligible Chartered Accountants / Chartered Accountant firms (As defined in the tender document) for appointment of Transaction Process Auditors for the year 2025-26 and Revenue Process Audit for the years 2024-25 (Extendable for two more years subject to the satisfactory performance, as evaluated by the Bank on annual basis)

The tender process will be executed through e-Tendering portal. Tender document can be downloaded from the Bank's website. The last date of submission of tenders is September 19, 2025 till 04.00 PM. Tenders submitted only through the portal, will be accepted for the captioned process. Tenders, if received after the said date and time, will not be accepted by the Bank.

The Tenderer should check the e-portal for any amendment/ Corrigendum/ Clarification before submitting the bid. The Bank shall have the right to cancel or modify the Tender or extend the deadline for submission of Tender, at its sole discretion. Further, the Bank reserves the right to accept any Tender, either in full or in part and to reject any or all the Tenders without assigning any reason thereof.

Chief Executive Officer

Kerala State Co-operative Bank

SCHEDULE OF EVENTS

i	Tenders Document Availability including changes/amendments if any to be issued	RFP may be downloaded from Bank's website from 30-08-2025
ii	Last date and Time for submission of Tender by the Tenderers	Date:19/09/2025, Time: 04.00 P.M.
iii	Date and Time of opening of the Tenders	Date:20/09/2025, Time: 04.00 P.M. (Should there be any revision to the prescribed date for opening the tenders, it will be duly notified in due course.).
iv	Place of opening of proposal	HEAD OFFICE KERALA STATE COOPERATIVE BANK, COBANK TOWERS, VIKAS BHAVAN P O, PALAYAM, THIRUVANANTHAPURAM Dist. KERALA. PIN – 695033
v	The Tenderers, who qualify as per mandatory eligibility criteria mentioned in Point VII will be treated as eligible for conducting Transaction Process / Revenue Audit of the Bank for selected branches.	
vi	Address for communication (Bank)	HEAD OFFICE KERALA STATE COOPERATIVE BANK, COBANK TOWERS, VIKAS BHAVAN P O, PALAYAM, THIRUVANANTHAPURAM Dist. KERALA. PIN – 695033 Mail ID : inspection@keralabank.co.in Tele # 0471-2547350
vii	Tender Fee	Rs.5000/- (Rs. Five thousand only) in the form of Demand draft/ Bankers' Cheque in favour of 'Kerala State Cooperative Bank Ltd' payable at Thiruvananthapuram, Kerala. Tender fee will be non-refundable.
viii	Earnest Money Deposit	Rs. 10, 000/- (Rs. Ten Thousand only) in the form of Demand draft/ Bankers' Cheque in favour of 'Kerala State Cooperative Bank' payable at Thiruvananthapuram, Kerala. EMD should be enclosed in sealed Tender cover.

1. No tender will be accepted with any condition quoted by the vendor whatsoever. Such tender will be rejected.
2. Amendments/ corrigendum to the tender, if any, will only be notified on the bank's Website and will not be published in newspaper.

I. Overview

Kerala State cooperative Bank (herein after referred to as '**Kerala Bank/the Bank**'), is a Scheduled Co-operative Bank, having its Head Office at Thiruvananthapuram, with 7 Regional offices at various Districts of the State namely Thiruvananthapuram, Alappuzha, Kottayam, Thrissur, Palakkad, Kozhikode and Kannur. This Request for Proposal (RFP) has been issued by **the Bank** for conducting Revenue Audit / Transaction Process Audit of the branches of the Bank at various Districts based on the business volume of the branches.

II. Purpose and Period of Appointment

- i. The Bank invites Request for Proposal (RFP) from eligible Chartered Accountants / Chartered Accountant Firms for conducting Revenue Audit /Transaction Process Audit for a period of **one year** and can be extended to **three years** subject to the satisfactory performance of the Auditor/ Firm.
- ii. The appointment, tenure, extension etc of auditors will be subject to the guidelines and directions of RBI/NABARD and the provisions of the Kerala Co-operative societies Act.
- iii. The selected Chartered Accountants / Chartered Accountant Firms should start the work with full resources within one week from the date of engagement as Auditors.

III. Invitation

The Bank invites Proposals (the "Proposals") for selection of Chartered Accountant for conducting Revenue Audit / Transaction Process Audit in branches for Compliance of Accounting Standards/Processes. Conducting Transaction Process Audit for the FY 2025-26 on monthly basis in selected 363 branches having business volume based on loan outstanding balances and the submission of report within 7 days of the succeeding month. Revenue Audit for the FY 2024-25, one time audit basis for each year in selected 454 branches other than those conducting Transaction Process Audit and submission of reports.

List of Branches selected for Transaction Process Audit & Revenue Audit

Sl No	Name of Districts	No of Branches selected for TP Audit	No of Branches selected for Revenue Audit
1	Thiruvananthapuram	23	68
2	Kollam	36	28
3	Alappuzha	17	39
4	Pathanamthitta	6	54
5	Kottayam	14	44
6	Idukki	23	35

7	Thrissur	39	20
8	Ernakulam	23	42
9	Kozhikkode	37	26
10	Wayanadu	7	29
11	Palakkad	32	12
12	Malappuram	29	25
13	Kannur	54	11
14	Kasargod	23	21
	TOTAL	363	454

The appointment of auditors will be made on district – wise basis for branches located in 14 districts across 7 regions of the Bank.

The Tenderers desirous of taking up the project are invited to submit their commercial proposal in response to this RFP. The criteria and the actual process of evaluation of the response to the RFP and subsequent selection of the Chartered Accountants / Chartered Accountant Firms will be entirely at Bank's discretion. The Tenderers should have necessary experience, capability and expertise to perform, as per the scope of work and to meet the Bank's requirements / terms and conditions outlined in the RFP. The RFP is not an offer by Kerala State Cooperative Bank Ltd, but an invitation to receive proposal from the Tenderers. No contractual obligation whatsoever shall arise from the RFP process unless and until a formal contract is signed and executed by duly authorized official(s) of the Bank.

The Tenderer firm should be registered under the Goods and Service Tax Act, 2017 and must submit a copy of PAN and GST registration certificate.

The intending Tenderers should refer to the scope of work, terms and conditions of the tender etc., before submitting the bid.

Before submitting the tender, the Tenderers shall satisfy themselves as to the eligibility and other criteria prescribed therein. It may also be noted that the terms and conditions specified herein are indicative in nature and the same shall not restrain the Bank from imposing or requiring the Tenderer to agree upon such further or other terms and conditions at the time of executing the agreement with the selected Tenderer, or to alter, modify or omit the terms and conditions contained herein, as are considered necessary for the due and proper execution of the work to be awarded under this tender.

IV. Bid Submission Guidelines for Chartered Accountant Firms

Eligible Chartered Accountant firms (as per mandatory eligibility criteria mentioned in point VII) are invited to submit their bids for the following audit services:

Transaction Process Audit: Quote the rate per month per branch.

Revenue Audit: Quote the rate per year per branch.

All rates should be inclusive of applicable taxes and must reflect the scope and frequency of the audits as outlined in the tender document.

The intending Tenderers should refer scope of work, terms and conditions of the tender before submitting the bid. Correction, if any, in the quotation shall be duly authenticated with full signature of authorized person. Tenderer / authorized signatory of the Tenderer shall sign on each page of the tender.

No deviations / conditions shall be stipulated by the tenderer. Conditional tenders will not be accepted and will be summarily rejected.

Falsification/suppression of information shall lead to disqualification of the Tenderer.

The tender must be submitted in the prescribed format along with the remittance of the tender fee and the EMD, as prescribed, accompanied by all necessary annexures and supporting documents that demonstrate the Tenderer's qualifications, eligibility, and relevant experience as outlined in the Request for Proposal (RFP).

The Bid should be submitted on or before 4.00 PM 19/09/2025, Any bids received after the above date shall not be considered.

If a single firm applies for more than one district for the same type of audit, it is mandatory to submit a priority list of the preferred districts along with the tender form. This priority list will be considered only if the firm is selected as L1 (i.e., the lowest Tenderer) in more than one district.

V. Disclaimer

- i. The information contained in this RFP or information provided subsequently to the tenderers whether verbally or in documentary form/email by or on behalf of the Bank, is subject to the terms and conditions set out in this RFP.
- ii. This RFP is not an offer by Kerala State Cooperative Bank Ltd, but an invitation to receive responses from the tenders.
- iii. The Bank also accepts no liability of any nature whether resulting from negligence or otherwise, howsoever caused arising from reliance of any Tenders upon the statements contained in the RFP.
- iv. The Tenderer is expected to examine all instructions, forms, terms and specifications in this RFP.
- v. The bank has the discretion to accept or reject any of the tenders based on any of the RBI/ Government/ Internal guidelines of the Bank, without assigning any reasons.
- vi. The Chartered Accountants / Chartered Accountant firm should give their consent in writing in the prescribed format agreeing to comply with and bound by the terms and conditions prescribed by the Bank upon their engagement as a Revenue Auditor/ Transaction Process Auditor.
- vii. The Audit firm selected shall submit the reports in the prescribed format covering all the Audit areas advised from time to time.
- viii. The profile of the audit firm should include information of partners, staff strength (skilled and semi-skilled) and previous experience of similar auditing.

Kerala State Co-operative Bank (KERALA BANK) has prepared this document to give background information on the contract to the interested parties. While Kerala State Co-operative Bank has taken due care in preparation of the information contained herein and believe it to be in order, neither Kerala State Co-operative Bank nor any of its authorities, Managing Committee of the Bank, Board of Directors, Board of Management, any of its respective officers, employees, advisors give any warranty or make any representations, express or implied as to the completeness or accuracy of the information contained in this document or any information which may be provided in association with it.

The information is not intended to be exhaustive. Interested parties are required to make their own inquiries and respondents will be required to confirm in writing that they have done so and they do not rely only on the information provided by Kerala State Co-operative Bank in submitting the e-Tender. The information is provided on the basis that it is non-binding on Kerala State Co-operative Bank or any of its authorities, Managing Committee of the Bank, Board of Directors, Board of Management, their respective officers, employees or advisors.

Kerala State Co-operative Bank reserves the right not to proceed with the contract or to change the terms and conditions of the contract, to alter the timetable reflected in this document or to change the process or procedure, and also reserves the right to decline or discuss the matter further with any party expressing interest. No reimbursement of cost of any type will be paid to person or entities expressing interest.

1. Tenderers may apply for multiple districts and either or both type of audits. Capacity declarations and preference must be submitted with annexures.
2. For district-level applications, the Chartered Accountant firm should have an office located within the district and the address should be given.
3. A single firm may submit bids at varying rates for different districts
4. Chartered Accountant firms must ensure the physical presence of Chartered Accountants / Chartered Accountant Firms at the respective branch during the audit process to guarantee thorough verification and compliance. Firms intending to audit more than one district are required to submit a clear manpower deployment plan, and any failure to adhere to the declared deployment will result in disqualification from the ongoing audit and render the firm ineligible to participate in future audits for the next three years.
5. To ensure the timely completion of audits, the Bank will limit the number of districts awarded to any single Tenderer to one district only, regardless of the number of districts for which the Tenderer qualifies. The allocation of districts will be undertaken in accordance with the priority list provided by the Tenderer at the time of tender submission. If any Tenderer qualify as L1 for multiple districts, his allotment will be restricted based on the priority chosen by them and his quote will be excluded from other districts for arriving at the L1 Tenderer.
6. A single firm may be assigned both Transaction process audit and Revenue audit based on L1 selection, The firm may be assigned one Transaction process audit and one Revenue process audit either in the same district or in different districts based on the priority given by him.
7. If a firm emerges as the L1 (lowest Tenderer) in multiple districts, the Bank reserves the right to assign the firm to only one district, at its sole discretion. The selection of the district will be based on the following considerations:
 - Capacity: The firm's ability to handle operations efficiently in the assigned district.
8. In cases where multiple firms are identified as L1 (lowest financial Tenderers) within the same district, the final selection shall be determined through a comprehensive assessment. This evaluation will consider the following factors:
 - Experience: Depth and relevance of the firm's prior engagements.
 - Audit Quality: Proven track record of delivering high-quality audit services.
 - Manpower: Availability and qualification of personnel to execute the assignment effectively.
 - Proximity: Geographical closeness to the district, facilitating ease of operations.
 - Overall Merit and Capacity: Holistic evaluation of the firm's ability to meet the Bank's requirements.
 - Additional weightage will be given to the firm that has higher number of years of experience or more number of FCA partners, or longer association of partners with the firm or more number of

key professional staff/ or more number of experience in bank audits etc.

- The Bank reserves full authority to initiate and conduct further negotiations with the shortlisted firms as part of the selection process, ensuring the most suitable candidate is chosen.
9. If the audit firm selected as L1 (i.e., the lowest financial Tenderer) in any district is subsequently found to be non-compliant with the eligibility criteria or any of the terms and conditions prescribed by the Bank, the Bank reserves the right to reassign the audit work to another firm that has submitted a valid bid in the same district.
10. A firm may be appointed to conduct only one type of audit in one district. The bank may override this rule under specific circumstances mentioned below:
- No applications received for a district.
 - No qualified applications available.
 - Any other situation the bank deems necessary.
 - Contingency Assignment:

In such cases, the bank can assign the audit of the unserved district to the L1 Tenderer who is already appointed for another district under the same Regional Office. The audit in both districts must be completed at the same rate quoted by the L1 Tenderer. The firm must accept the same rate for both districts, even if the second district has different logistical or operational challenges. The bank retains full authority to make this decision based on necessity, which gives it flexibility in managing audit coverage. In the absence of Tenderers for a particular district, tender from Tenderers of neighboring districts also will be considered if they have applied for it and are otherwise eligible.

11. The firm appointed to conduct the audit under the terms and conditions of this RFP may be considered for continuation of the audit assignment in the same district in subsequent years. The audit shall be carried out in the district allocated by the Bank, adhering to the existing terms and conditions. Any changes in the number of branches within the district whether an increase or decrease shall not affect the scope, remuneration, or execution of the audit.
12. Notwithstanding anything contained here in above **“Bank reserves the right to negotiate the rate with the L1 Tenderer”, if the L1 Tenderer has qualified as L1 in multiple districts, he will not be eligible to undertake audit in the districts other than where he is allotted as per his priority list. In such districts the L2 Tenderer will automatically become L1 and bank reserves the right to negotiate with them.**

VI. Review of Performance of Auditors

The Board/ ACB of the bank shall review the performance of auditors. Any serious lapse/ negligence in discharging audit responsibilities, conduct issues on the part of the audit, or any other matters considered as violation of extant / regulatory norms and lapses in carrying out audit assignment of financial statements, reports etc by the auditor would be dealt suitably under the relevant statutory / regulatory / supervisory framework.

DEFINITIONS

- a. **“RFP”** means this “Request for Proposal” including all attachments and appendices thereto
- b. **“Terms of Reference (TOR)”** means the document included in the point XXI of RFP which explains the scope of work, activities, tasks to be performed, etc.
- c. **“Services”** means all services, scope of work/TOR and deliverables to be provided by a Tender as described in the RFP and include provision of technical assistance, training, certifications,

auditing and other obligation of Service Provider covered under this RFP.

- d. “TDS” means Tax deducted at Source

VII. Eligibility Criteria

- a) Tenderers fulfilling the criteria as mentioned in point VII are eligible to submit their supporting documents duly signed by authorized person of the Tenderer. If the Tender is not accompanied with the required supporting documents for eligibility criteria, the same would be rejected.
- b) The applicant firm should be a Chartered Accountant firm registered with ICAI for Kerala State to be eligible for appointment as Concurrent auditor.
- c) The Chartered Accountant’s firm shall be incorporated as a proprietorship firm or a limited liability partnership or partnership firm or a company, already in the panel of the RBI, which is circulated among banks for statutory Audit of the Banks from time to time. Registration of firm with RBI is mandatory. Firm have to attach the proof of RBI empanelment category.
- d) The applicant firm should be registered under the Goods and Service Tax Act, 2017 and submit a copy of PAN, GST Registration certificates.
- e) The appointment methodology comprises a two-stage process involving prequalification and financial bidding, with separate evaluation for the stages, and a qualifying criterion bidding, with separate evaluation for the two stages, and a qualifying criterion prequalification evaluation.
- f) In calculating the eligibility score, experience in conducting Transaction process audit and Revenue audit in Banks will be an essential qualification. Neither the firm nor any of its partners should have been subjected to any disciplinary proceedings initiated by the ICAI. The firm or partners of the firm should not have been debarred or black listed by any Government/Semi-Government organization/ Institution.
- g) The Tenderer should have an office at the district for which the tender is submitted. (Exceptions to this clause will be considered as provided under Para V (10))

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| <ul style="list-style-type: none"> A Tenderer or its Affiliates should have, during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or a judicial pronouncement or arbitration awarded against the Tenderer or its Affiliates, nor been expelled from any project or agreement nor had any agreement terminated for breach by such Tenderer or its Affiliates. | <p>Tenderer should certify the same.</p> |
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| <ul style="list-style-type: none"> • Tenderer should not be under Debarment/ blacklist period for breach of contract/fraud/corrupt practices by any Scheduled Commercial Bank/ Public Sector Undertaking / State or Central Government or their agencies/ departments on the date of submission of bid for this RFP. • Tenderer should also not have been disqualified/ debarred/ terminated on account of poor or unsatisfactory performance and/or blacklisted by any Scheduled Commercial Bank/ Public Sector Undertaking/ State or Central Government or their agencies/ departments, at any time, during the last 3 years. | <p>Tenderer should certify the same.</p> |
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VIII. Audit Fee

The bank will determine the maximum payment limit for each branch based on the business volume of the branches.

IX. Earnest Money Deposit (EMD)

Tenderer shall submit the EMD of Rs. 10,000 (Rs. Ten thousand only) by way of Demand draft/Bankers' Cheque favouring 'Kerala State Cooperative Bank Ltd payable at Thiruvananthapuram, Kerala.

X. Clarification and amendment of RFP documents

The Bank reserves the right to amend, rescind or reissue the RFP, at any time prior to the deadline for submission of Tenders. The Bank, for any reason, whether, on its own initiative or in response to a clarification requested by a prospective Tenderer, may modify the RFP, by amendment which will be made available to the Tenderers through the portal.

XI. Validity of Agreement

The successful Tenderer shall execute an Agreement and Non-disclosure Agreement in the formats prescribed by the Bank. The Contract/Agreement will be valid for a period of **one year and may be extended up to three years**. The Bank reserves the right to terminate the Agreement as per the terms of RFP/ Agreement.

XII. Reporting requirements

- * Monthly Audit Report (Transaction Process Audit) of each branch and certification should be submitted in the prescribed format within 7 working days from the end of the month to which the report pertains.
- * Report of Revenue Process audit of each branch and clarification should be submitted in the prescribed format within the next month.
- * The soft copies of the reports shall be sent to the concerned Regional Office and Head Office within the specified time limit.

- * Audit report should indicate item-wise action points on the financial and non-financial (major and other) actions.
- * Monthly audit report should also indicate status of compliance in respect of action points pertaining to audit report which was rectified during the month and the reason for delay, of the outstanding compliance, if any
- * Monthly audit report should highlight the reason for inaction in respect of old outstanding entries especially in sensitive area.
- * Along with the branch-wise reports of the branches, a consolidated report of the observations and compliance commonly identified in all the branches of the district shall also be submitted every month.
- * Irregularities noticed in sensitive areas and or transactions of suspicious nature should be brought to the notice of reporting authority by recording a special note,
- * Major irregularities/ frauds/leakages in income, if any, identified should be brought to the notice of the reporting authority immediately.
- * The auditor will obtain and familiarize themselves with all the relevant copies directions and circulars issued by the Bank and copies of policies.
- * The Bank will provide the Finacle user ID and other technical support related to transaction verification.
- * The auditors will take up audit of vouchers/Records and related documents on the agreed dates in consultation with the Bank have concerned officers.

XIII. Confidentiality

As the successful Tenderer will have access to the data of the Bank, the Bank will require the Tenderer to sign a confidentiality agreement / undertaking indemnity for not disclosing or part with any data or information relating to the Bank or its customers to any person or persons or authorities, without written consent of the Bank. Breach of the same will result in cancellation of the agreement apart from other remedies which shall be available to the Bank against the Tenderer.

XIV. Termination of Contract

The Bank, by written notice of not less than 60 (sixty) days, may terminate the Contract, in whole or in part, at its discretion, without assigning any reason.

XV. Disciplinary action for professional misconduct

In case of any professional misconduct observed on the part of the selected Tenderer, in addition to the remedies such as debarring such Tenderer from any future service to the Bank by intimation of such misconduct to the authorities such as RBI / IBA / GOI, etc., the Bank will also be entitled to approach any Court of law or Statutory Authority such as ICAI.

XVI. Liquidated Damage / Penalty

- i. If the successful Tenderer fails to deliver or perform the services as stipulated in the RFP Contract, Bank will reserve the right to deduct penalty from the fees to be paid to the consultant.

- ii. Any loss caused to the Bank or claims made against Bank owing to non-performance of the services by the successful Tenderer as per the contract, or non-compliance of regulatory guidelines will attract liquidated damages to the extent of the loss or claim made against the Bank. If consequential damages are claimed against the Bank, the same shall also be recovered from the failed audit firm concerned.
- iii. The Bank reserves the right to recover this amount from any dues payable or accrued to the successful Tenderer or through appropriate legal proceedings.
- iv. Any financial loss incurred by the Bank due to fraud or arising from the negligence of the successful Tenderer, its employees, or its service providers shall be recovered from the successful Tenderer, along with damages related to the Bank's reputation and goodwill, through appropriate legal proceedings.
- v. The successful Tenderer shall indemnify and keep indemnified the Bank against any financial loss incurred by the Bank due to fraud or arising from the negligence of the successful Tenderer, its employees, or its service providers along with damages related to the Bank's reputation and goodwill.

XVII. GOVERNING LANGUAGE

The governing language shall be English.

XVIII. APPLICABLE LAW

The Contract shall be interpreted in accordance with the laws of the Union of India and shall be subjected to the exclusive jurisdiction of courts at Kerala State.

XIX. TAXES AND DUTIES:

- i. Service Provider shall be liable to pay all corporate taxes and income tax that shall be levied according to the laws and regulations applicable from time to time in India and the price Tender by Service Provider shall include all such taxes in the quoted price.
- ii. Prices quoted should be inclusive of all taxes. The quoted prices and taxes/duties and statutory levies such as GST etc. will be as per the concerned Act.

XX. Right to Audit

As per the prescribed format of the Bank to conduct the Revenue Audit / Transaction Process Audit of the selected branches of the Bank.

XXI. Tender Fee

Tender Fee of Rs.5000/-(Rs. Five thousand only/-) should be submitted in the form of Demand draft / Bankers' Cheque in favor of 'Kerala State Co-operative Bank payable at Thiruvananthapuram, Kerala.

Tender fee will be non-refundable.

XXII. Scope of Work / Term of Reference (TOR)

1. Conducting of Revenue Audit at selected 454 branches of the Bank on one time basis for the financial year 2024-25

Revenue audit have to be conducted in selected 454 branches of the Bank for finding out income leakage of the Bank due to short coming of interest income and other income and excess payment of interest and expenses. The Auditors have to verify various GL heads and Accounts of the branches and have to submit the report in the prescribed manner within 7 days after completing the audit of each

branch.

The following major areas may be looked into while conducting Revenue Audit.

1. Wrong interest application in advance / deposit accounts.

In respect of Outward cheques returned, interest for the period, the Bank is out of funds, and the same is not charged.

2. Charges in rates of interest in advances accounts are not accepted by the system with retrospective effect.
3. Several incidental charges are not automatically recovered, Eg. Cheque book issue charges, folio charges, cheques return charges, minimum balance charges, stop payment charges etc, if respective field, in account data is not filled in.
4. The system does not have provision for charging different rates of interest for different types of default and for different accounts automatically, unless field for penal interest is filled in by branches properly and updated thereof. We shall verify whether correct penal interest is charged and recovered.
5. The system does not recognise drawals in excess of DP but within S.L., if properly not filled in and charge applicable penal interest.
6. Interest earned on advance
7. Penal interest on overdue instalment
8. Commission on letter of Bank Guarantees/ Deferred payment Guarantee/ Solvency Certificate.
9. Processing fee
10. Gold loan renewal charges
11. Cash credit renewal charges
12. Inspection charges not recovered timely.
13. Documentation charges
14. Locker rent
15. Remittance of DD /IBC/OBC commission
16. Cheque Book charges
17. Details of unauthorized Debits in P& L A/c.
18. GST collection
19. Verification of secured advances where the system has not marked security (both primary and collateral) calling for a higher risk and therefore capital charge.
20. Customer Risk Rating according to the periodicity for High/Medium and Low risk.

Other areas to be covered are:

1. Modification charges, wherever applicable, not recovered.
2. Lead Bank Charges, wherever applicable not recovered.
3. Penal interest not charged, due to non-compliance of terms & conditions, wherever.
4. CERSAI, CIBIL/CREDIT HISTORY reports charges should be verified.
5. Interest rate variance for loans.
6. Incidental charges in inoperative accounts.
7. Non-compliance with the prudential norms for NPA.
8. Any other area as specified by Bank/NABARD/RBI

2. Conducting of Transaction Process Audit at selected 363 branches of the Bank transaction Process Audit for the FY 2025-26 on monthly basis and the submission of report within 7 days

of the succeeding month.

Areas of coverage under Transaction Process Audit

1. Deposit transactions including physical verification of cash, etc.
2. Loans & Advances including physical verification of securities, delegation of Powers for sanction, Security Charge Creation, end use verification of funds, monitoring of accounts with excess drawings, monitoring of projects, loan account verification etc.
3. Adherence to KYC / AML guidelines, Common Reporting Standards (CRS), monitoring of transactions in new accounts/staff accounts, reporting of CTR/STR, etc.
4. Remittances/ Bills for Collection including RTGS/NEFT transactions, monitoring of overdue statements (bills purchased / discounted / negotiated, etc.).
5. House Keeping including reconciliation of accounts, monitoring of General Ledger/Subsidiary General Ledger/Parking Accounts, opening of internal accounts, etc.
6. Non fund based business
7. Cheque Truncation System.
8. Verification of Debit card business. (Verification of entries)
9. Conduct of employees, mis-selling of products, etc.
10. Compliance to RBI guidelines and internal Policy guidelines issued from time to time.
11. Verify Account opening forms for compliance with KYC/AML guidelines.
12. Verify the inoperative/dormant accounts are properly segregated and marked in CBS and separate control on the transactions in such accounts is exercised.
13. Verify procedure for settlement of claims of deceased customers, payment of TDS against receipts, obtaining legal documents.
14. Scrutiny of newly opened deposit accounts, staff accounts to detect any abnormal transaction.
15. Is end – use verification being conducted for loans, and are the related documents being kept in the loan files.
16. For housing loans, is stage verification being conducted, and is the completion certificate being obtained and filed.
17. Whether there is any ever greening in NPA accounts
18. Whether loan application register is keeping at branch and all the entries are filled properly including receipt of applications and disposal of loans.
19. Whether periodical stock statements are collected and CC limit is fixed on the basis of stock.
20. Whether stock statements are scrutinised and drawing power is updated in CBS
21. Are KCC and agri-gold loans issued in accordance with the extant guidelines (crops, extend of land, land tax receipt, lease agreement etc.)
22. Debit balances in savings and current account to be verified for reasons, record of recovery, correspondence, charging of interest.
23. Verify process of issue of cheque books through prescribed requisitions, direct delivery by third party vendors and collecting appropriate charges.
24. Verify nomination forms and recording the same in CBS.
25. Verify for proper authorization all new deposits where interest rate offered is different than the card rate.
26. Balance with Other Banks.
27. Verify all the entries reflecting in Bank statement are recorded
28. Verify balance confirmation and reconciliation of accounts with other banks
29. Sundry Creditors

30. Verify compliance of section 206AA of Income-tax Act, 1961 with respect to furnishing of PAN.
31. Verify the compliance of issues relating to TDS on salary, pension, disbursement, rent, commission, interest, payment to contractors, payment of fees to professional/technical person, etc. in respect of:
 - (a) Deduction of TDS at correct rate
 - (b) Deposit of TDS within time
 - (c) Filing the TDS return in time and as per procedure prescribed
 - (d) Issue of TDS certificates
 - (e) Receipt of 15G and 15H and entry in system
 - (f) Filing of Form 15G/15H with department as per new procedure
32. Verification of Cash in Hand
33. Verify registers maintained for impounded counterfeit notes, and check the reporting as per RBI Requirements
34. ATM: Verify the Cash Balance in ATM (onsite). Also check the process of cash replenishment in the ATM.
35. Check the ledger Balances. Verify the complaints / discrepancies in ATM Transactions. Verify periodical reconciliation with vendors related to ATM Operations. Verify retention of ATM roles taken from ATM machine. Verify RBI license for ATM.
36. Verify Loans and advances have been sanctioned properly and in accordance with delegated authority.
37. Verify the Application Form, Credit Appraisal, comments by recommending officers and Sanction Letter
38. Verify KYC Compliance for all borrower accounts.
39. Verify the third party consultant reports such as that of Advocates, Values and Rating Agencies. Verification should be on all the documents listed by Advocate (to be original and those as certified copies) have been collected and the bank has created a valid conditional charges.
40. Verify whether correct and valid credit rating, if available, of the credit facilities of bank's borrowers. Whether CERSAI registration has been done and Gehan has been noted.
41. RBI accredited Credit Rating Agencies has been fed into the system.
42. Verify the Loan documentation as per Sanction Letter.
43. Verify compliance with Terms and Conditions pre-sanction & post-sanction.
44. Verify measures of supervision followed by the branch such as submission of stock statements, calculation of drawing power, unit visit report, insurance, MIS/QIS, Audited Financial Statements etc.
45. Verify allowance of excess drawings/bills beyond limits/drawing power with rectification/sanction from sanctioning authority.
46. Deficiency in documentation.
47. Verify CC/OD limits/accounts falling due for review, renewal and action by the branch.
48. In consortium accounts verify latest minutes of consortium and their correspondence records.
49. Verify that all the documents and registers as prescribed by bank are up to date.
50. Verify extension of equitable mortgage for enhanced credit facilities.
51. Verification of Refinance loans (PACS and other societies.)
52. Verification of Housekeeping / General.
53. Verify custody of undelivered cards and follow up card department.
54. Verification of ATM cards, debit cards, credit cards, passwords and PINS, control over issue and delivery, safe keeping and custody at all the locations. Report loss of any such items.
55. Verify frauds reported in Debit card and accounting of same.
56. Safe custody of branch documents like death cases, issuance of duplicate DD/PO/FDR, checking of indemnities etc., and verification of documents executed during the period under audit.
57. Verify and report non-recovery of various Revenue items.
58. Verify numbering and records of fixed and other assets along with depreciation.
59. Verify the safe custody and renewal of rent agreement in case of rented premises.
60. Check customer service with regards to customer meeting, standing instructions, compliant/suggestion box and staff behaviour.
61. Verify recovery of commission/fee.
62. Wrong interest application in advance / deposit accounts.
63. In respect of Outward cheques returned, interest for the period, the Bank is out of funds, and the

same is not charged.

64. Charges in rates of interest in advances accounts are not accepted by the system with retrospective effect.
65. Several incidental charges are not automatically recovered, eg. Cheque book issue charges, folio charges, cheques return charges, minimum balance charges, stop payment charges etc, if respective field, in account data is not filled in.
66. The system does not have provision for charging different rates of interest for different types of default and for different accounts automatically, unless field for penal interest is filled in by branches properly and updated thereof. We shall verify whether correct penal interest is charged and recovered.
67. The system does not recognise drawals in excess of DP but within S.L., if properly not filled in and charge applicable penal interest.
68. Interest earned on advance
69. Penal interest on overdue installment
70. Commission on letter of Guarantee/ Deferred payment Guarantee/ solvency certificate.
71. Processing fee
72. Gold loan renewal charges
73. Cash credit renewal charges
74. Inspection charges not recovered timely.
75. Documentation charges
76. Locker rent
77. Remittance of DD /IBC/OBC commission
78. Cheque Book charges
79. Verification of Branch expenses.
80. Charges for books and forms/statements.
81. Verification of suspense a/c general advances.
82. Details of unauthorized Debits in P& L A/c.
83. GST collection
84. Modification charges, wherever applicable, not recovered.
85. Lead Bank Charges, wherever applicable not recovered.
86. Penal interest not charged, due to non-compliance of terms & conditions, wherever.
87. CERSAI, CIBIL/CREDIT HISTORY reports charges should be verified.
88. Interest rate variance for loans.
89. Incidental charges in inoperative accounts.
90. Non-compliance with the prudential norms for NPA.
91. Any other area as specified by Bank / NABARD / RBI.

Annexure - I**ACCOUNTANT'S FIRM FOR CONDUCTING REVENUE AUDIT FOR COMPLIANCE TO ACCOUNTING STANDARDS/PROCESSES**

Sl. No.	Description	Particulars	Supporting Documents
1	Name of the Tenderer Firm		
2	No. allotted by ICAI*		
3	Address		
4	Email		
5	Contact number/s (Tel / Mobile)		
6	Year of establishment		
7	No. of completed years of practicing in India as on 31.03.2025		
8	Person(s) proposed to be assigned for the services and his / their profiles		
9	Name, address, and account number of the Tenderer's banker(s)		
10	PAN of the Tenderer *		
11	GST registration number of the Tenderer *		
12	Number of Employees		
13	Number of C.A. Employees/Partners in the Tenderer (out of above) Number		
14	of Employees who have done DISA / CISA		
15	Net worth as on		
	31.03.2023		
	31.03.2024		
	31.03.2025		
16	Turnover during previous financial years		
	2022-23		
	2023-24		
	2024-25		
17	Details of major assignments.		

*(Please attach separate sheets if space is not sufficient in any row, duly mentioning the row number and description)

Place:

Authorized signatory:

Date:

(Name)

Seal

Self-attested copies in support of the information should be submitted

*include detailed profile of the firm

Annexure - II**REQUEST FOR PROPOSAL FOR ENGAGING THE CHARTERED ACCOUNTANTS
FOR CONDUCTING REVENUE AUDIT AT 454 BRANCHES OF THE BANK**

**The Chief Executive Officer,
Kerala State Cooperative Bank Ltd,
Head Office, Cobank Towers,
Palayam, Thiruvananthapuram
Pin-695033**

Dear Sir,

Request for Proposal for engaging the Chartered Accountants for conducting Revenue Audit for compliance to accounting standards/processes - submission of commercial proposal.

Our quotation for Revenue Audit fee is as under:

(Professional Fees, inclusive of Taxes, per year for each branch for conducting Revenue Audit.)

Sl. No.	District	No. of Branches	Rate per Branch (Yearly)	Preference Number as per Priority List
1	Thiruvananthapuram	68		
2	Kollam	28		
3	Alappuzha	39		
4	Pathanamthitta	54		
5	Kottayam	44		
6	Idukki	35		
7	Thrissur	20		
8	Ernakulam	42		
9	Kozhikkode	26		
10	Wayanadu	29		
11	Palakkad	12		
12	Malappuram	25		
13	Kannur	11		
14	Kasargod	21		

* Applicable Taxes to be paid as actuals.

Thanking You,

Yours Faithfully,

For.....

.....

Authorised Signatory with Seal

The office address of the district in which application is made, along with proof, should be submitted separately in a distinct sheet.

Annexure - III**REQUEST FOR PROPOSAL FOR ENGAGING THE CHARTERED ACCOUNTANTS FOR CONDUCTING REVENUE AUDIT AT 454 BRANCHES OF THE BANK**

**The Chief Executive Officer,
Kerala State Cooperative Bank Ltd,
Head Office, Cobank Towers,
Palayam, Thiruvananthapuram
Pin-695033**

Subject: Submission of District preference and consent

With reference to the RFP inviting quotations for engaging Chartered Accountants for conducting Revenue Audit I/we hereby submit our priority of districts preferred, if selected as L1 in more than one district.

Priority List of Districts

Sl. No.	Preference Number	Name of District Preferred
1	I (One)	
2	II (Two)	
3	III (Three)	
4	IV (Four)	
5	V (Five)	
6	VI (Six)	
7	VII (Seven)	
8	VIII (Eight)	
9	IX (Nine)	
10	X (Ten)	
11	XI (Eleven)	
12	XII (Twelve)	
13	XIII (Thirteen)	
14	XIV (Fourteen)	

Consent for Allotment and Declaration

I/We hereby confirm our willingness to undertake Revenue Audit in any district allotted by the Bank irrespective of the above preference, if selected as L1 in more than one district. I/We also agree to abide by the terms and conditions prescribed by the Bank for conducting Revenue Audit.

Thanking You,

Yours Faithfully,

For.....

.....

Authorised Signatory with Seal

Annexure - IV

**REQUEST FOR PROPOSAL FOR ENGAGING THE CHARTERED ACCOUNTANTS
FOR CONDUCTING REVENUE AUDIT AT 454 SELECTED BRANCHES OF THE BANK
SELECTED BRANCHES**

**The Chief Executive Officer,
Kerala State Cooperative Bank
Ltd, Head Office, Cobank
Towers, Palayam,
Thiruvananthapuram
Pin-695033**

Willingness to accept Audit assignment in an additional District of the same Region

I/We hereby confirm our willingness to undertake the Revenue Audit assignment in the second district falling under the jurisdiction of the same Regional Office to which the district already allotted to us belongs. I/We also agree to conduct the audit of the branches in both districts at a uniform rate.

Thanking You,

Yours Faithfully,

For.....

.....

Authorised Signatory with Seal

Annexure - V**PARTICULARS TO BE FURNISHED FOR THE PURPOSE OF ENGAGING THE CHARTERED ACCOUNTANT'S FIRM FOR CONDUCTING TRANSACTION PROCESS AUDIT FOR COMPLIANCE TO ACCOUNTING STANDARDS/PROCESSES**

Sl. No.	Description	Particulars	Supporting Documents
1	Name of the Tenderer		
2	Firm No. allotted by ICAI*		
3	Address		
4	Email		
5	Contact number/s (Tel / Mobile)		
6	Year of establishment		
7	No. of completed years of practicing in India as on 31.03.2025		
8	Person(s) proposed to be assigned for the services and his / their profiles		
9	Name, address, and account number of the Tenderer's banker(s)		
10	PAN of the Tenderer *		
11	GST registration number of the Tenderer *		
12	Number of Employees		
13	Number of C.A. Employees/Partners in the Tenderer (out of above)		
14	Number of Employees who have done DISA / CISA		
15	Net worth as on		
	31.03.2023		
	31.03.2024		
	31.03.2025		
16	Turnover during previous financial years		
	2022-23		
	2023-24		
	2024-25		
17	Details of major assignments.		

*(Please attach separate sheets if space is not sufficient in any row, duly mentioning the row number and description)

Place:

Authorized signatory:

Date:

(Name)

Seal

Self attested copies in support of the information should be submitted

*include detailed profile of the firm

Annexure - VI

**REQUEST FOR PROPOSAL FOR ENGAGING THE CHARTERED ACCOUNTANTS
FOR CONDUCTING TRANSACTION PROCESS AUDIT AT 363 SELECTED
BRANCHES**

**The Chief Executive Officer,
Kerala State Cooperative Bank Ltd,
Head Office, Cobank Towers,
Palayam, Thiruvananthapuram
Pin-695033**

Dear Sir,

Request for Proposal for engaging the Chartered Accountants for conducting Transaction Process Audit for compliance to accounting standards/processes - submission of commercial proposal.

Our quotation for Transaction Process Audit fee is as under:

(Professional Fees, inclusive of Taxes, per month for each branch for conducting Transaction Process Audit.)

Sl. No.	District	No. of Branches	Rate per Branch (Monthly)	Preference Number as per Priority List
1	Thiruvananthapuram	23		
2	Kollam	36		
3	Alappuzha	17		
4	Pathanamthitta	6		
5	Kottayam	14		
6	Idukki	23		
7	Thrissur	39		
8	Ernakulam	23		
9	Kozhikkode	37		
10	Wayanadu	7		
11	Palakkad	32		
12	Malappuram	29		
13	Kannur	54		
14	Kasargod	23		

* Applicable Taxes to be paid as actual.

Thanking You,

Yours Faithfully,

For.....

.....

Authorised Signatory with Seal

The office address of the district in which application is made, along with proof, should be submitted separately in a distinct sheet.

Annexure - VII**REQUEST FOR PROPOSAL FOR ENGAGING THE CHARTERED ACCOUNTANTS
FOR CONDUCTING TRANSACTION PROCESS AUDIT AT 363 SELECTED
BRANCHES**

**The Chief Executive Officer,
Kerala State Cooperative Bank Ltd,
Head Office, Cobank Towers,
Palayam, Thiruvananthapuram
Pin-695033**

Subject: Submission of District preference and consent

With reference to your RFP inviting quotations for engaging Chartered Accountants for conducting Transaction Process Audit I/We hereby submit our priority of districts preferred, if selected as L1 in more than one district.

Priority List of Districts

Sl. No.	Preference Number	Name of District Preferred
1	I (One)	
2	II (Two)	
3	III (Three)	
4	IV (Four)	
5	V (Five)	
6	VI (Six)	
7	VII (Seven)	
8	VIII (Eight)	
9	IX (Nine)	
10	X (Ten)	
11	XI (Eleven)	
12	XII (Twelve)	
13	XIII (Thirteen)	
14	XIV (Fourteen)	

Consent for Allotment and Declaration

I/We hereby confirm our willingness to undertake Transaction Process audit in any district allotted by the Bank irrespective of the above preference, if selected as L1 in more than one district. I/We also agree to abide by the terms and conditions prescribed by the Bank for conducting Transaction Process audit.

Thanking You,

Yours Faithfully,

For.....

.....

Authorised Signatory with Seal

Annexure - VIII

**REQUEST FOR PROPOSAL FOR ENGAGING THE CHARTERED ACCOUNTANTS
FOR CONDUCTING TRANSACTION PROCESS AUDIT AT 363 SELECTED
BRANCHES**

**The Chief Executive Officer,
Kerala State Cooperative Bank
Ltd, Head Office, Cobank
Towers, Palayam,
Thiruvananthapuram
Pin-695033**

Willingness to accept Audit assignment in an additional District of the same Region

I/We hereby confirm our willingness to undertake the Transaction Process Audit assignment in the second district falling under the jurisdiction of the same Regional Office to which the district already allotted to us belongs. I/We also agree to conduct the audit of the branches in both districts at a uniform rate.

Thanking You,

Yours Faithfully,

For.....

.....

Authorised Signatory with Seal

Annexure - IX

NON-DISCLOSURE AGREEMENT

THIS RECIPROCAL NON-DISCLOSURE AGREEMENT (the “Agreement”) is made at _____ between:

Kerala State cooperative Bank Ltd. (herein after referred to as **Kerala Bank/the Bank**'), having its Head Office at Thiruvananthapuram, with 7 Regional offices at various Districts of the State namely Thiruvananthapuram, Alappuzha, Kottayam, Thrissur, Palakkad, Kozhikode and Kannur and managed by the Bank (collectively referred to as “**KERALA STATE CO-OPERATIVE BANK Ltd**” or ‘**KERALA BANK**’ hereinafter). This Request for Proposal (RFP) has been issued by the Bank for conducting Revenue Audit/ Transaction Process of the branches of the Bank at various Districts based on the business volume of the branches.

And

_____ a private/public limited company/LLP/Firm <strike off whichever is not applicable> incorporated under the provisions of the Companies Act, 1956/ Limited Liability Partnership Act 2008/ Indian Partnership Act 1932 <strike off whichever is not applicable>, having its registered office at _____ (hereinafter referred to as “_____” which expression shall unless repugnant to the subject or context thereof, shall mean and include its successors and permitted assigns) of the OTHER PART;

And Whereas

1. _____ is carrying on business of providing _____, has agreed to _____ for the Bank and other related tasks.
2. For purposes of advancing their business relationship, the parties would need to disclose certain valuable confidential information to each other (the Party receiving the information being referred to as the “Receiving Party” and the Party disclosing the information being referred to as the “Disclosing Party. Therefore, in consideration of covenants and agreements contained herein for the mutual disclosure of confidential information to each other, and intending to be legally bound, the parties agree to terms and conditions as set out hereunder.

1. Definition of Confidential Information

“Confidential Information” means all information, whether oral, written, electronic, or in any form, disclosed by the Bank to the Chartered Accountants / Chartered Accountant Firm in connection with the RFP or during the course of audit engagement, including but not limited to:

Financial records, audit reports, operational data, and internal processes of the Bank,

Customer information, account details, and transaction data,

Business strategies, systems, and internal controls,

Any document or data designated as confidential by the Bank.

Exclusions

Confidential Information shall not include information which:

- a) is or becomes publicly available without breach of this Agreement;
- b) is rightfully received from a third party without restriction;
- c) is independently developed by the Auditor/Firm without reference to Bank's Confidential Information.

2. Obligations of the Receiving party:

The Receiving party shall:

- i. Maintain confidentiality of all Confidential Information received from the Disclosing Party;
- ii. Use such information solely for the purpose of conducting the Revenue Audit / Transaction Process Audit;
- iii. Not disclose, publish, or reproduce Confidential Information in any manner to any third party without prior written consent of the Bank;
- iv. Take reasonable measures to ensure that its partners, employees, and representatives comply with confidentiality obligations;
- v. Return or securely destroy all documents, records, and materials containing Confidential Information upon completion or termination of the engagement, if required by the Bank.

3. Ownership

All Confidential Information shall remain the sole and exclusive property of the Disclosing Party. Nothing in this Agreement shall grant the Receiving Party any rights, by license or otherwise, to use the Confidential Information except as expressly provided herein.

4. Term

This Agreement shall come into effect on the date first written above and shall remain binding during the tenure of the audit engagement and for a period of three (3) years thereafter.

5. Remedies

The Receiving Party acknowledges that unauthorized disclosure of Confidential Information may cause irreparable loss to the Bank. The Bank shall be entitled to seek injunctive relief, damages, and such other remedies as may be available under law.

6. Governing Law & Jurisdiction

This Agreement shall be governed by the laws of India, including the provisions of the laws of the Union of India. Any disputes arising out of this Agreement shall be subject to the exclusive jurisdiction of the courts at Kerala.

7. Entire Agreement

This Agreement constitutes the entire understanding between the Parties regarding confidentiality obligations and supersedes any prior agreements or discussions on the subject.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day, month, and year first above written.

For Kerala State Co-operative Bank Ltd.

Authorized Signatory: _____

Name: _____

Designation: _____

Seal/Stamp

For Chartered Accountant / Firm

Authorized Signatory: _____

Name: _____

Designation: _____

Seal/Stamp