

KANNUR INTERNATIONAL AIRPORT LIMITED
LIMITED TENDER – REQUEST FOR PROPOSAL (RFP)

Appointment of Internal Auditor

NIQ / RFP No.: KIAL/SEC/IA/2026-27/01

Date of Issue: 14.05.2026

1. INVITATION FOR PROPOSALS

Kannur International Airport Limited (KIAL) invites sealed quotations / proposals from reputed Chartered Accountant firms having an office in Kerala having proven experience in the aviation/airport sector for appointment as Internal Auditors of the Company.

1.1 This is a Limited Tender Enquiry, being processed in Request for Proposal (RFP) format considering the specialized nature of internal audit services in the aviation sector and the limited availability of firms with relevant domain experience.

2. KEY DATES AND TIMELINES

| Particulars | Date & Time |
|--------------------------------------|--|
| Publishing Date | 14.05.2026 |
| Last date for seeking clarifications | 20.05.2026 18.00 hrs |
| Last date for submission of bids | 28.05.2026 15.00 hrs |
| Opening of Technical Bids | 29.05.2026 15.00 hrs |
| Opening of Financial Bids | Will be intimated to the technically qualified bidder after opening of Technical Bid |

3. ELIGIBILITY CRITERIA

The bidder shall meet the following minimum eligibility requirements:

3.1 The bidder shall be a Chartered Accountant Partnership firm/LLP registered with the Institute of Chartered Accountants of India (ICAI).

3.2 The bidder shall have at least 15 years of establishment as on the last date of tender submission with minimum of 10 years of experience in internal audit.

3.3 The bidder should have average annual turnover excluding GST of Rs. 50,00,000/- (Fifty Lakhs) for the last 5 (five) completed financial years.

3.4 The Bidder shall mandatorily possess prior experience in conducting Internal Audit and/or Statutory Audit of airports and/or aviation sector entities in India, for a cumulative period of not less than two (2) years as on the last date of submission of bids. However, Preference shall be given, at the stage of technical evaluation, to bidders with internal audit experience in aviation sector entities, without disqualifying bidders meeting the minimum eligibility criteria. "Aviation sector entities" shall include airports, airport operators, aviation PSUs, airlines, or other aviation-related infrastructure entities. The sectoral experience must be directly attributable to the bidding firm and not merely to individual partners in their personal capacity (unless such experience was undertaken in the name of the bidding firm).

3.5 The bidder shall have a minimum of five (5) years of experience in internal audit of large organizations / infrastructure / PSUs having annual total turnover of not less than Rs. 200 crores.

3.6 The bidder shall have adequate qualified manpower, including at least 3 Chartered Accountants as Partners/Employees.

3.7 The bidder shall have experience in ERP-based audit systems and risk-based audit approach.

3.8 The Firm should have an operational office/branch office in the State of Kerala.

3.9 The Bidder shall submit documentary evidence in support of its eligibility, including:

(i) self-attested copy of the Registration Certificate issued by the Institute of Chartered Accountants of India;

(ii) copies of Income Tax Returns/Assessment Orders and Audited Financial Statements of the firm (Balance Sheet and Statement of Profit and Loss), duly certified;

(iii) list of Partners and Employee Chartered Accountants, along with their resumes detailing relevant experience in internal audit and indicating membership numbers, duly attested by the Managing Partner/Senior Partner to establish fulfilment of the prescribed criteria, with the resumes specifically highlighting assignments undertaken and period of experience in internal audit within the aviation sector;

(iv) self-attested copies of CISA/DISA certifications of CA Partners/Employees of the Bidder;

(v) a list of assignments indicating the name of the organisation, financial year(s) for which the assignment was undertaken, date of completion, and turnover of the organisation audited, and

(vi) supporting Work Orders/Completion Certificates/Client Certificates clearly evidencing experience in the aviation /airport sector, to be submitted as part of the Technical Proposal.

3.10 non-fulfilment of the above eligibility criteria or submission of any incorrect, incomplete, or misleading document or information shall render the proposal liable for rejection.

4. SCOPE OF SERVICES

The Internal Auditor shall submit quarterly audit reports, executive summaries, risk observations, and compliance tracking reports to the Management/Audit Committee, including but not limited to the following:

1. **Operational Audit – Airport Functions**
 - 1.1 Review of airside and landside operations impacting efficiency and revenue without without delving into regulatory compliances.
 - 1.2 Audit of aircraft movements, parking bays, gate allocation, and utilization
 - 1.3 Verification of ground handling, cargo, and passenger service operations with respect to the contract and revenue.
 - 1.4 Assessment of operational efficiency, resource utilization, and bottlenecks (excluding aspects related to regulatory compliances).
2. **Aviation-Specific Audit Areas**
 - 2.1 Audit of slot allocation, utilization.
 - 2.2 Verification of traffic data (ATM, passengers, cargo)
 - 2.3 Review of operational data used for billing and reporting
 - 2.4 Audit of aerodrome activities impacting revenue generation
3. **Revenue Audit (Aeronautical & Non-Aeronautical)**
 - 3.1 Audit of aeronautical revenue (landing, parking, RNFC, UDF, PSF, etc.)
 - 3.2 Audit of non-aeronautical revenue (retail, duty-free, F&B, advertising, parking, lounges etc)
 - 3.3 Verification of billing accuracy and tariff application
 - 3.4 Reconciliation of operational data with revenue
 - 3.5 Identification of revenue leakage and under-billing
4. **Concessionaire & Contract Audit**
 - 4.1 Audit of concession agreements and commercial contracts
 - 4.2 Verification of revenue share, minimum guarantee, and escalation clauses
 - 4.3 Review of lease/license agreements and compliance
 - 4.4 Verification of deposits, bank guarantees, and recoveries
5. **Procurement & Contract Management Audit**
 - 5.1 Audit of tendering and procurement processes
 - 5.2 Compliance with procurement policies and approval hierarchy
 - 5.3 Verification of vendor selection and contract award
 - 5.4 Review of contract execution and payment controls
6. **Capital Expenditure (Capex) Audit**
 - 6.1 Audit of infrastructure projects and expansions
 - 6.2 Verification of project approvals, budgeting, and cost controls
 - 6.3 Review of contractor billing and certification of work completion
7. **ERP / Systems Audit**
 - 7.1 Audit of ERP systems
 - 7.2 Review of user access controls and segregation of duties (SoD)
 - 7.3 Testing of system-based controls and audit trails

- 7.4 Verification of integration between operational and billing systems
- 7.5 Data analytics for anomaly detection
- 8. Compliance & Regulatory Audit**
 - 8.1 Compliance with GST, TDS, Income Tax, PF, ESI
 - 8.2 Compliance with Companies Act, 2013 and ICAI standards
 - 8.3 Review of statutory filings and returns
- 9. Risk Management & Governance**
 - 9.1 Identification and evaluation of enterprise risks
 - 9.2 Preparation and updating of Risk Register, if maintained
 - 9.3 Review of internal controls and risk mitigation measures
 - 9.4 Assessment of fraud risks and control gaps
- 10. Payroll & HR Audit**
 - 10.1 Verification of payroll processing and statutory deductions
 - 10.2 Audit of attendance, overtime, incentives, and benefits
 - 10.3 Compliance with labour laws and HR policies
- 11. Fraud Detection & Red-Flag Monitoring**
 - 11.1 Identification of fraud indicators and control override risks
 - 11.2 Monitoring of high-risk transactions and unusual patterns
 - 11.3 Investigation support and reporting of irregularities
- 12. Internal Financial Controls (IFC)**
 - 12.1 Evaluation of financial controls and internal control systems
 - 12.2 Review of fund management practices including cash flow management, treasury operations, and utilization of funds
 - 12.3 Verification of budgeting processes, financial planning, and variance analysis
 - 12.4 Assessment of accounting processes, financial reporting accuracy, and compliance with applicable accounting standards
 - 12.5 Review of internal financial controls over revenue, expenditure, assets, and liabilities
 - 12.6 Monitoring of working capital management and liquidity position
 - 12.7 Identification of financial risks and recommendation of mitigation measures

5. DURATION OF THE ASSIGNMENT

The duration of the assignment shall be three (3) years from the date of issue of the Letter of Award (LoA), extendable based on satisfactory performance. The professional fee shall remain firm for the first year and may be subject to annual escalation thereafter subject to a maximum of 5% every year, based on performance and mutual review, subject to final approval by the Board of Directors of Kannur International Airport Limited (KIAL). The decision of the Board in this regard shall be final and binding on the Auditor.

6. CONFIDENTIALITY AND DATA PROTECTION

6.1 All financial, operational, and commercial data shall be treated as strictly confidential.

6.2 The Auditor shall not disclose or use such information without prior written consent of KIAL.

6.3 Confidentiality obligations shall survive completion or termination of the engagement.

7. FEE AND PAYMENT TERMS

7.1 The bidder shall quote a lump-sum professional fee for the entire scope of services for the first year of assignment.

7.2 Applicable taxes shall be paid extra as per prevailing laws.

7.3 Payment shall be released on a periodic basis (quarterly) subject to satisfactory performance of audit services and submission of Invoices.

8. OUT-OF-POCKET EXPENSES (OPES)

Travel, accommodation, communication, and other incidental expenses, if any, shall be reimbursed on actual basis and on submission of supporting bills/documents, subject to a maximum ceiling of Rs. 50,000 (Rupees Fifty Thousand only) per quarter.

9. VALIDITY OF PROPOSAL

The proposal shall remain valid for a period of 90 days from the date of opening of bids.

10. SUBMISSION OF PROPOSALS

10.1 The proposal shall be submitted in two separate sealed envelopes:

- (i) Envelope-I: Technical Proposal
- (ii) Envelope-II: Financial Proposal

Both shall be placed inside one outer sealed envelope superscribed as: "Limited Tender for Appointment of Internal Auditor"

10.2 Name and address of bidder shall be mentioned on all envelopes.

10.3 Submission address:

**The Managing Director
Kannur International Airport Limited
Kannur International Airport PO,
Mattannur, Kannur – 670708**

10.4 Late submissions shall not be considered.

10.5 Bidders fulfilling all eligibility criteria and submitting all required documents shall be treated as technically qualified.

10.6 Financial bids of technically qualified bidders alone shall be opened and the bidder quoting the lowest evaluated professional fee (L1) shall normally be considered for award, subject to fulfilment of all tender conditions.

10.7 Conditional proposals shall be rejected.

11. CLARIFICATIONS

Clarifications shall be sought only through email to: cs@kannurairport.aero

No queries shall be entertained after the stipulated date.

12. GENERAL TERMS & CONDITIONS

12.1 KIAL reserves the right to accept or reject any or all proposals without assigning any reason.

12.2 Any attempt to influence the evaluation process shall result in disqualification.

12.3 The decision of KIAL shall be final and binding on all bidders.

12.4 The Internal Auditor shall comply with applicable ICAI standards and maintain independence and objectivity.

12.5 The Bidder shall ensure that no conflict of interest exists that may impair its independence, objectivity, or ability to perform the assignment, and shall promptly disclose any such situation to KIAL. KIAL reserves the right to reject the proposal or terminate the contract at any stage if any conflict of interest is identified, without any liability.

13. TERMINATION CLAUSE

13.1 KIAL may terminate the contract for convenience by giving 30 days' written notice. In case of breach or non-performance, KIAL may issue a notice providing a cure period of 15 days, failing which the contract may be terminated.

13.2 KIAL may terminate the contract with immediate effect in cases of material breach, misrepresentation, fraud, or insolvency of the Auditor.

13.3 Upon termination, the Auditor shall promptly hand over all documents, records, and work papers within 7 days, and shall be entitled to payment on a pro-rata basis for satisfactorily completed work up to the date of termination.

13.4 Confidentiality obligations shall survive termination.

14. SETTLEMENT OF DISPUTES

All disputes shall be subject to jurisdiction of courts at Kannur.

ANNEXURE I

UNCONDITIONAL ACCEPTANCE LETTER

(To be submitted on the Letterhead of the Bidder)

Date: _____

To
The Managing Director
Kannur International Airport Limited
Kannur International Airport PO
Mattannur, Kannur – 670708

Subject: Unconditional Acceptance of NIQ / RFP – Limited Tender for Appointment of Internal Auditor

Sir,

We hereby submit our unconditional and irrevocable acceptance of the Notice Inviting Quotation (NIQ) / Request for Proposal (RFP) issued by Kannur International Airport Limited (KIAL) for the Limited Tender for Appointment of Internal Auditor.

We confirm that we have carefully examined and fully understood the entire NIQ/RFP document, including but not limited to the scope of services, eligibility criteria, terms and conditions, timelines, submission requirements, fee structure, confidentiality provisions, termination clauses, dispute resolution provisions, and all annexures forming part of the tender document.

Accordingly, we hereby unequivocally undertake and confirm as under:

1. Unconditional Acceptance
We accept all the terms and conditions of the NIQ/RFP in totality, without any deviation, reservation, qualification, or assumption whatsoever.
2. Binding Commitment
We agree that submission of our proposal shall constitute a binding commitment on our part to comply with all provisions of the NIQ/RFP and any subsequent clarifications or amendments issued by KIAL.
3. Execution of Scope
We undertake to execute the entire scope of internal audit services strictly in accordance with the terms of the NIQ/RFP and to the satisfaction of KIAL.
4. Compliance with Laws and Standards
We shall comply with all applicable laws, rules, regulations, and professional

standards, including ICAI Standards on Internal Audit, and maintain independence, integrity, and objectivity.

5. Confidentiality Obligation

We shall maintain strict confidentiality of all data, documents, financial information, and records accessed during the course of the assignment and shall not disclose or use the same for any purpose other than execution of the assignment without prior written consent of KIAL. This obligation shall survive completion or termination of the contract.

6. No Deviation Certificate

We confirm that our proposal is submitted without any conditions, deviations, or qualifications, and any such condition, if found, shall render our proposal liable for rejection.

7. Authority of Signatory

We confirm that the undersigned is duly authorized to sign and submit this acceptance and bind the firm contractually.

8. Finality of KIAL Decision

We accept that the decision of KIAL in respect of evaluation, selection, and award of the contract shall be final, binding, and not subject to challenge.

9. Integrity and non-influence

We confirm that we have not attempted, directly or indirectly, to influence the tender evaluation process and undertake that any such attempt shall result in disqualification.

10. Validity of Proposal

We agree that our proposal shall remain valid for the period specified in the NIQ/RFP and shall be binding on us during this period.

11. Contractual Effect

We agree that this unconditional acceptance shall form an integral and binding part of the contract upon issuance of the Letter of Award (LoA).

We hereby declare that all information provided in our proposal is true and correct to the best of our knowledge and belief. We understand that any misrepresentation or false information may lead to rejection of our proposal and/or termination of the contract.

Yours faithfully,

Signature: _____

Name of Authorized Signatory: _____

Designation: _____

Name of the Firm: _____

Seal of the Firm: _____

ANNEXURE II

DECLARATION – NOT BEEN BLACKLISTED / DEBARRED

(To be submitted on the Letterhead of the Bidder)

Date: _____

To
The Managing Director
Kannur International Airport Limited
Kannur International Airport PO
Mattannur, Kannur – 670708

Subject: Declaration Regarding Blacklisting / Debarment – Limited Tender for Appointment of Internal Auditor

Sir,

We hereby solemnly declare and confirm that:

1. Non-Blacklisting Status
Our firm has not been blacklisted, debarred, banned, or declared ineligible, either temporarily or permanently, by any:
 - (i) Central Government / State Government Department
 - (ii) Public Sector Undertaking (PSU)
 - (iii) Statutory Authority
 - (iv) Airport / Aviation Authority
 - (v) Regulatory Body
 - (vi) Any other Government or quasi-Government organization in India
2. No Pending Proceedings
No proceedings for blacklisting, debarment, suspension, or banning of business dealings are pending or contemplated against our firm as on the date of submission of this proposal.
3. No Adverse Record
We confirm that there has been no adverse action, penalty, or termination of contract imposed on us on account of non-performance, fraud, or misconduct by any Government/PSU authority in the recent past.

4. Disclosure Obligation

We undertake to immediately inform KIAL in writing if any such action or proceeding is initiated against us at any stage during the tender process or during the tenure of the contract.

5. Consequences of False Declaration

We understand and agree that in the event this declaration is found to be false, incorrect, or misleading at any stage:

- (i) Our proposal shall be liable for rejection; and/or
- (ii) The contract, if awarded, shall be liable for termination without notice; and
- (iii) KIAL shall be at liberty to take appropriate action as deemed fit, including forfeiture of payments and legal proceedings.

6. Binding Nature

This declaration shall form an integral part of our proposal and shall be binding upon us.

We certify that the above information is true and correct to the best of our knowledge and belief and nothing material has been concealed.

Yours faithfully,

Signature: _____

Name of Authorized Signatory: _____

Designation: _____

Name of the Firm: _____

Seal of the Firm: _____

Annexure – III

Details of the Firm:

| | | | |
|----|---|--|--|
| 1. | Full Name of the CA Firm | | |
| 2. | Contact details of the Firm (Mobile No of Contact Person) | | |
| 3. | Address of the Head Office | | |
| 4. | Date of Establishment of Firm | | |
| 5. | Date of Joining of the longest Associated Partner | | |
| 6. | Firms Income Tax PAN | | |
| 7. | Firms GSTIN Registration No. | | |
| 8. | Firms Registration No. with ICAI | | |

Signature of Managing Partner with Seal

Supporting to be attached (Self Attested)

1. Pan Card
2. ICAI Firm Card along with Head Office Address

Annexure – IV

Financial Information

- (a) Financial Information Details to be furnished duly supported by figures in audited balance sheet, profit and loss account statement and acknowledged IT Returns for the last five years duly certified

| Particulars | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
|----------------------------|---------|---------|---------|---------|---------|
| Annual Turnover (In Lakhs) | | | | | |

Average Annual Turnover in above Five Financial Years:

Signature of Managing Partner with Seal

Supporting to be attached (Self Attested):

ITR/Assessment order and audited financial statements of the firm (Balance Sheet & Statement of Profit and Loss) duly certified

Annexure-V

Experience of Partners:

| Sl No | Name of Partner | Membership Number | Certification CISA / DISA | No of Years Association with the Firm |
|-------|-----------------|-------------------|---------------------------|---------------------------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Signature of Managing Partner with Seal

Annexure – VI

Experience of Employees: Details of Qualified Chartered Accountant Employees of the Firm (Other than Partners)

| Sl No | Name of Employee | Membership Number | Certification CISA / DISA | No of Years Association with the Firm |
|-------|------------------|-------------------|---------------------------|---------------------------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Signature of Managing Partner with Seal

Annexure – VII

Details of the relevant Assignments Taken (including experience in the aviation /airport sector)

| Sl No | Name of Organization and the assignment taken | Details of Financial Years for which the assignment | Turnover of the Organization |
|-------|---|---|------------------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Signature of Managing Partner with Seal

Supporting to be attached (Self Attested) (supporting Work Orders/Completion Certificates/Client Certificates clearly evidencing experience in the aviation /airport sector to be attached)

ANNEXURE – VIII
TECHNICAL PROPOSAL
(To be submitted in a separate sealed envelope titled “Technical Proposal”)
On the Letterhead of the Bidder

Date: _____

To
The Managing Director
Kannur International Airport Limited
Kannur International Airport PO
Mattannur, Kannur – 670708

Subject: Technical Proposal for Appointment of Internal Auditor

Sir,

With reference to NIQ / RFP No. KIAL/SEC/IA/2026-27/01 for appointment of Internal Auditor of Kannur International Airport Limited, we hereby submit our Technical Proposal.

We confirm that:

1. We have carefully examined and fully understood the entire RFP document including eligibility criteria, scope of services, terms and conditions, and submission requirements.
2. We satisfy all eligibility criteria prescribed in the RFP.
3. We have enclosed Annexures I to VII and all supporting documents as required under the RFP.
4. All information and documents furnished by us are true and correct to the best of our knowledge and belief.
5. We agree to undertake the assignment in accordance with the terms and conditions of the RFP.

COMPLIANCE STATEMENT CUM CHECKLIST OF SUPPORTING DOCUMENTS

| Clause No. | Eligibility Requirement / Supporting Document | Compliance (Yes/No) | Reference to Annexure / Supporting Document / Page No. |
|------------|--|---------------------|--|
| 3.1 | Self-attested copy of ICAI Registration Certificate | | |
| 3.2 | Proof of minimum 15 years establishment and minimum 10 years internal audit experience | | |

| | | | |
|----------|---|--|--|
| 3.3 | Audited Financial Statements and ITRs evidencing average annual turnover criteria | | |
| 3.4 | Details of aviation / airport sector experience | | |
| 3.4 | Work Orders / Completion Certificates / Client Certificates evidencing aviation / airport sector experience | | |
| 3.5 | Details of experience in large organizations / infrastructure / PSUs | | |
| 3.6 | Details of Partners and Qualified CA Employees | | |
| 3.6 | Resumes of Partners / Employees with Membership Numbers | | |
| 3.7 | Details of ERP / Systems Audit and Risk-Based Audit Experience | | |
| 3.7 | Self-attested copies of CISA/DISA Certificates | | |
| 3.8 | Proof of operational office / branch office in Kerala | | |
| 3.9(i) | Annexure III – Details of the Firm | | |
| 3.9(ii) | Annexure IV – Financial Information | | |
| 3.9(iii) | Annexure V – Experience of Partners | | |
| 3.9(iv) | Annexure VI – Experience of Employees | | |
| 3.9(v) | Annexure VII – Details of Relevant Assignments | | |
| — | Annexure I – Unconditional Acceptance Letter | | |
| — | Annexure II – Declaration regarding Blacklisting / Debarment | | |
| — | PAN Card of the Firm | | |

| | | | |
|---|---|--|--|
| — | GST Registration Certificate | | |
| — | Any other supporting document considered relevant by the Bidder | | |

DECLARATION

We hereby declare and confirm that:

1. The information furnished in this Technical Proposal and accompanying annexures/documents is true, complete, and correct.
2. We understand that furnishing any false, misleading, or incomplete information may result in rejection of our proposal and/or termination of the contract, if awarded.
3. We agree that the decision of Kannur International Airport Limited in respect of evaluation and selection shall be final and binding.

Yours faithfully,

Signature: _____

Name of Authorized Signatory: _____

Designation: _____

Name of the Firm: _____

Seal of the Firm: _____

ANNEXURE – IX
FINANCIAL PROPOSAL FORMAT

(To be submitted in a separate sealed envelope titled “Financial Proposal”)

On the Letterhead of the Bidder

Date: _____

To

The Managing Director

Kannur International Airport Limited

Kannur International Airport PO

Mattannur, Kannur – 670708

Subject: Financial Proposal for Appointment of Internal Auditor

Sir,

With reference to the NIQ / RFP No. KIAL/SEC/IA/2026-27/01 for appointment of Internal Auditor of Kannur International Airport Limited, we hereby submit our Financial Proposal for undertaking the assignment in accordance with the terms and conditions of the RFP.

I. Professional Fee

| Sl. No. | Particulars | Amount (Rs.) |
|---------|--|--------------|
| 1 | Lump-sum Professional Fee for Internal Audit Assignment for the First Year (inclusive of all manpower costs, administrative expenses, documentation, reporting, local conveyance, and all other expenses except GST and reimbursable OPEs) | _____ |
| 2 | Applicable GST | _____ |
| 3 | Total Amount including GST | _____ |

2. Out-of-Pocket Expenses (OPEs)

We understand and agree that reimbursement of Out-of-Pocket Expenses shall be governed strictly in accordance with Clause 8 of the RFP and shall be limited to actuals subject to the prescribed ceiling and submission of supporting documents.

3. Declaration

We hereby confirm and undertake that:

1. The above financial quote is unconditional and strictly in accordance with the terms of the RFP.
2. The quoted fee shall remain valid for a period of 90 days from the date of opening of bids.
3. The quoted fee includes all costs associated with execution of the assignment except GST and reimbursable OPEs specifically permitted under the RFP.
4. We have considered the complete scope of services and all obligations under the RFP before arriving at the above quote.
5. No escalation shall be claimed during the first year of the contract period.

Yours faithfully,

Signature: _____

Name of Authorized Signatory: _____

Designation: _____

Name of the Firm: _____

Seal of the Firm: _____