

# EXPRESSION OF INTEREST (EOI)

for

Empanelment as Auditor

For the audit related to Provident Fund Accounts of Exempted  
P.F Trusts and associated tasks under the jurisdiction of  
EPFO, Regional Office, Jalandhar.

Date of issue:

26/02/2021 (DD/MM/YYYY)

Deadline for submission of Proposal:

15/03/2021 by 1.00 P.M

Proposal should be super scribed as

**"Confidential - Proposal for Empanelment of Auditors"**

To be submitted in a sealed envelope and addressed to:

Sh. Sunil Kumar Yadav  
Regional P.F. Commissioner-I,  
Employees' Provident Fund Organization (EPFO),  
Regional Office, Master Tara Singh Nagar, Ladowali Road  
Jalandhar-144001

## Duties & Responsibilities of the Empanelled Auditor

- 1.1 The Auditor while conducting audit of the Provident Fund Accounts of the Exempted/Relaxed Provident Fund Trusts, must:
  - 1.1.1 Ensure that the audit is to be conducted by a team consisting of one leader and at least one staff personnel (who is qualified Chartered Account with at least one year of work experience). The leader of the team should be a qualified Chartered Accountant with at least five years of experience in the field of Statutory Audit preferably with experience in the field of audit of recognized pension funds/provident funds/superannuation funds. The audit should be carried out under direct supervision of a Partner of the chartered accountant firm if the leader of the Team is not a Partner of the Chartered Accountant firm.
  - 1.1.2 Ensure that the firm is not engaged for audit of the same Exempted/Relaxed Provident Fund Trusts for any purpose other than the terms of reference contained in this EOI. This restriction would be only for the period during which the Chartered Accountant firm is empanelled as Auditor for audit of Exempted/Relaxed Provident Fund Trusts.
  - 1.1.3 Ensure, to the best possible extent, that the team leader appointed to conduct the audit should continue in his role till the completion of the assignment. For any reason, if there is a change in the team leader appointed to conduct the audit, the same should be intimated to EPFO immediately.

### 1.2 Scope of work

- 1.2.1 To carry out third party audit/re-audit of Provident Fund Accounts of the Exempted/Relaxed Provident Fund Trusts as and when required by EPFO, RO, Jalandhar and submit the audited Balance Sheet with the Auditor's Report in the preforma specifically prescribed for the purpose by EPFO both in hard copy and soft copy to Regional P F Commissioner, RO, Jalandhar within 30 days of assignment of the audit.
- 1.2.2 To examine and verify whether the Exempted/Relaxed Provident Fund Trusts have followed the investment pattern and investment guidelines as prescribed by the Govt. of India and to point out wherever deviations have been made.
- 1.2.3 To verify whether the interest and maturity proceeds are collected promptly and re-invested as per the provisions made in the Pattern of Investment. Also to point out delays, if any, and the causes for such delay.
- 1.2.4 To verify whether the funds were invested promptly by Exempted/Relaxed Provident Fund Trusts. If the funds remained un-invested for a significant period, then to assess opportunity cost/benefit due to delayed investments for un-invested period.
- 1.2.5 To verify whether proper records have been maintained in respect of all transactions and contracts and to ascertain whether the records are updated correctly and on timely basis.
- 1.2.6 To verify whether all shares, securities, debentures and other investments have been held in the name of Board of Trustees, of the Exempted/Relaxed Provident Fund Trusts.

- 1.2.7 To verify whether there is any violation of the 31 conditions of grant of exemption as enumerated in Para 27AA of the EPF Scheme, 1952 by the employer of the exempted/relaxed establishments and the Exempted/Relaxed Provident Fund Trusts, and if so the details thereof. To bring out any other point/ shortcomings which comes to notice of Auditor during the course of audit.
- 1.2.8 To examine whether the Employer/Exempted/Relaxed Provident Fund Trust has taken steps to rectify the shortcomings, if any, pointed out during the previous Annual Compliance Audit conducted by the EPF Authority or the Third-Party Auditor.
- 1.2.9 To assess and report the Provident Fund liability which will be passed on to the EPFO in the event of cancellation of exemption of a particular defaulting Establishment having Exempted/Relaxed Provident Fund, and the scope & feasibility for recovery of such liability from the defaulting Establishment and the employers.
- 1.2.10 Any other Audit related task which may be assigned as per directions from the competent Authority.
- 1.2.11 The empanelment does not confer any right, whatsoever, to the empanelled Chartered Accountant Firms to claim any monetary fees for empanelment or to claim for any audit assignment mandatorily.
- 1.2.12 The empanelment shall be for a period of **3 (three)** years from the date of issue of intimation letter of such empanelment which is extendable further on mutually agreed terms subject to approval from competent authority.
- 1.2.13 Regional Provident Fund Commissioner/OIC, EPFO, RO, Jalandhar may cancel the empanelment of any Chartered Accountant Firm(s) if any terms and conditions of empanelment is found violated.

## 2. **Steps in Expression of Interest Process:**

- 2.1 Submission of Pre-Qualification and Technical bids by Applicants.
  - 2.1.1 The Applicants may respond to the EOI by submitting the required Pre-Qualification and Technical bids to the EPFO as detailed in Section 4 of this document.
  - 2.1.2 The authorized representative of the Applicants may be present at the time of opening of the Pre- Qualification and Technical bids at the Conference Room, EPFO , Regional Office, Jalandhar, Master Tara Singh Nagar, Ladowali Road, Near Alaska Chowk, at 5.00PM on 15/03/2021.
  - 2.1.3 Pre-Qualification and Technical bids should be submitted in separate sealed envelopes with each envelope super-scribed in bold as "Pre-Qualification bid\*" and "Technical bid" respectively.
  - 2.1.5 The Applicant's name and address shall be mentioned on the right hand side of all envelopes.
  - 2.1.6 Both the envelopes should be placed in an envelope, duty sealed and super-scribed as "Confidential -Proposal for Empanelment of Auditors", along with the Applicant's name and

address, and the name of the primary and secondary contact person must be provided on the right hand side of the sealed envelope.

- 2.1.7 There must be an index at the beginning of the proposal detailing the summary of all information contained in the proposal.
- 2.1.8 All pages of the proposal must be serially numbered.
- 2.1.9 The proposals may either be hand delivered or sent through registered post or courier.
- 2.1.10 EPFO, RO, Jalandhar will not accept delivery of proposals by fax or e-mail. Proposals received in such manner will be treated as invalid and rejected.
- 2.1.11 The applicant must ensure that the bids reach EPFO, RO, Jalandhar in time and no delay in post or otherwise is acceptable. Receipt of any proposal after the deadline shall be straightway rejected without opening the same.

## **2.2 Completeness of bid documents:**

- 2.2.1 A Committee constituted by EPFO, RO, Jalandhar for the purpose will open and evaluate the contents of the documents received to ascertain that all documents/information requirements are provided in the format and the manner specified.
- 2.2.2 EPFO, RO, Jalandhar may, wherever if felt necessary, seek further clarifications from any/ all applicants in respect of any information provided in the EOI.
- 2.2.3 The Applicant must furnish clarifications within the stipulated time frame failing which the EOI submitted by the Applicant concerned will be treated as incomplete and will be rejected.

## **2.3 Evaluation of Technical bids:**

- 2.3.1 All Applicants, who qualify on the Pre-Qualifications bid criteria as laid down in Section 3.1 would only be further evaluated on technical bid.
- 2.3.2 The Technical bids of eligible Applicants will be evaluated as per the criteria specified in Section 3.2 of the EOI

## **2.4 Finalization of the Auditors:**

- 2.4.1 The successful Auditors will be finalized for empanelment based on the evaluation criteria as prescribed above subject to the acceptance of the terms and conditions of empanelment and will be informed as soon as approved by the competent authority.
- 2.4.2 RPFC/OIC, EPFO, RO, Jalandhar reserves the right to cancel the empanelment process and call for a re-bid without assigning any reason thereof.

## **2.5 Key Activities and Dates:**

The expected schedule of key activities for the purpose of this EOI is outlined below:

1. **Issue of EOI proposal 26/02/2021**
2. **Last date for receipt of bid 15/03/2021 by 1:00 A.M**
3. **Opening of Pre-Qualification bids 15/03/2021 at 02:00 P.M**
4. **Opening of Technical bids for eligible Applicants 15/03/2021 at 03:00 P.M**
5. **Finalization and intimation of empanelment of Auditors to successful firms by 16/03/2021 tentatively.**

3. **Bid Evaluation Criteria:**

The Pre-Qualification criterion for selection of Auditor is as follows:

- 1 Applicant Firms should be in existence for at least 05 years.
- 2 The Firm must have registered with the ICAI on or before 31/12/2015.
- 3 The Firm should have functional office in Punjab state having responsible officials.
- 4 Average Annual Turnover of the firm of the last three years should be at least Rs. 50Lakhs.
- 5 The firm must be empanelled with Comptroller and Auditor General of India (CAG) as on the date of EOI.
- 6 Should have valid Income Tax Permanent Account Number (PAN) as on date of application.
- 7 There must be at least three (3) Qualified Chartered Accountants working as fulltime Partners with at least 1 full time FCA as on the date of submission of proposal.
- 8 The Firm / any partner should not have been convicted by a court of law or indictment / adverse order should not have been passed against the firm / any partner till the date of application. The Firm / any partner should not have been held guilty of any professional misconduct under CA Act 1949(as amended) during last 5 years or penalized under any taxation laws by the ICAI or any other statutory body.
- 9 The Firm/any partner should not be facing any investigation/inquiry by any tax authority for violation of any provisions of taxation laws.
- 10 The Firm should comply with all the applicable Labour Laws as on the date of submission of proposal.
- 11 The Firm should agree to accept the Auditing Fees as per the rates prescribed by the ICAI for auditing the accounts of the Exempted/Relaxed Provident Fund Trusts and such fees are payable directly by the employers of such Exempted establishments as per condition No.24(a) of Appendix A to para 27AA of EPF Scheme 1952. EPFO, RO, Jalandhar shall not in any manner, whatsoever, be involved in determining the auditing fees payable to the firm.

### 3.2 Technical evaluation parameters:

The following table outlines the broad parameters based on which evaluation of technical proposals of the applicants shall be carried out by the EPFO:

#### 3.2.1 Evaluation criteria:

Sl.No.	Measure	Measurement criteria	Scoring	Supporting documents	Weightage
1	Annual turnover of the firm for the past <b>three years</b> as on 31 Mar. 2020.	1 extra point for every 5 lakhs above 55lakhs.	Points obtained per year added for 3 years.	Duly certified details of the annual turnover with Audited balance sheets of the firm.	15%
2	Annual Aggregate of the corpus of the recognized Pension/Provident Funds/ Superannuation Fund audited up to 31' Mar. 2020	1 point for every Rs.50/-crore per year and for every additional Rs.10/- crore, 0.5 point shall be added; For any year if the corpus is less than <b>Rs.50/- crore</b> , no point shall be given	Points obtained per year added for all years.	Duly certified details of the Funds audited with annual aggregate corpus details to be submitted.	20%
3	Total number of years of experience of the firm in the field of statutory audit.	1 point for every, completed year up to 31Mar. 2020.	1X No. of total years of experience.	Duly certified experience details should be submitted with supporting documents.	15%
4	Number of clients for last five years.	0.5 point for every client per year.	0.5 X No. of clients	Duly certified clients details should be submitted with supporting documents.	10%
5	Number of qualified chartered accountants working as fulltime partners as on the date of submission of proposal.	1 point for every Chartered Accountant fulltime partner.	1X No. of fulltime partners.	Duly certified details of the Chartered Accountant fulltime partners in the prescribed profile format	20%
6	Years of cumulative experience of the fulltime partners as on the date of submission of proposal.	1 point for every year of cumulative experience.	1X No. of year of cumulative experience.	Duly certified experience details of the Chartered Accountant fulltime partners.	10%

7	Number of accounting staff members other than fulltime Chartered Accountant partners as on the date of submission of proposal.	1 point for every accounting staff member.	1X No. of accounting staff members.	Duly certified number of accounting staff	10%
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4. **Format of Pre-Qualification and Technical bid:**

4.1 Documents comprising the proposal:

4.1.1 The proposal submitted by the Applicant shall comprise the following documents.

4.1.2 Pre-qualification bid with all the information, as laid down in Section 4.2, duly filled in along with all attachments/schedules duly completed and with a covering letter, as per the format defined in Section 5.1 signed by the authorized representative of the Applicant.

4.1.3 Technical bid with all the technical information, as laid down in Section 4.3, duly attachments/schedules duly completed and with a covering letter, as per the Section 5.2, signed by the authorized representative of the Applicant.

4.1.4 Any other information that is to be submitted during the course of the proposal process.

4.1.5 There must be an index at the beginning of the proposal detailing the summary of all information contained in the proposal. All pages in the proposal must be serially numbered.

4.2 **Pre-qualification bid format:**

Name of the Audit Firm (full name of the firm):

Address with telephone No., Fax No., E-Mail ID, etc.

4.2.1 The name of the Partnership Firm should be registered with the ICAI. The Firm must have registered with the ICAI on or before 31 Mar, 2015. — Enclose copy of Registration.

Sl. No	Particulars	Supporting documents submitted	Remarks if any	Annexure No.
1	Date and registration No. of the firm with ICAI			
2	No. of completed years of practice as on 31 Mar 2020			

- 4.2.2 Valid income tax PAN as on date of application. — Enclose copy with at least one full time FCA.
- 4.2.3 There must be at least Three (3) Qualified Chartered Accountants working as fulltime Partners as on date of application. — Submit Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking.
- 4.2.4 Number of Partners and detail profile of each partner with membership no. as on date of application to be stated.

Sl. No	Supporting documents submitted	Remarks if any	Annexure No.

Format for profile of partners:-

Name of the Partner :

Membership no.

Age

Qualification

Details of experience in statutory audit; Details of each work done with the time period may be mentioned (as on submission of application).

Current Responsibilities:

Total experience (No. of years up to two decimals as on submission of application)

Tenure spent with the firm (No. of years and months as on submission of application):

Any other point

- 4.2.5 The Firm / any partner should not have been convicted by a court of law or indictment / adverse order passed against the Firm / any partner till the date of application. The Firm / any partner should not have been held guilty of any professional misconduct under CA Act 1949(as amended) during last 5 years or penalized under any taxation laws by the ICAI or any other statutory body. The Firm/any partner should not be facing any investigation/inquiry by any tax authority for violation of any provisions of taxation laws — An affidavit to this extent shall be furnished duly signed by the Managing Partner of the Firm. The affidavit should be notarized by a Notary Public.
- 4.2.6 The Firm should have functional office in Punjab state having responsible officials as on date of application. —submit an Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking.
- 4.2.7 The Firm should agree to accept the Auditing Fees as per the rates prescribed by the ICAI for auditing the accounts of the Exempted Provident Fund Trusts and such fees are payable directly by the employers of such Exempted establishments as per condition No.24(a) of



Appendix A to para 27AA of EPF Scheme 1952. The firm can negotiate the auditing fees directly with the concerned employer of the Exempted/Relaxed establishments and the RPF/OIC, EPFO, RO, Jalandhar shall not in any manner, whatsoever, be involved in determining the auditing fees payable to the firm.

4.2.8 The firm must be empanelled with Comptroller and Auditor General of India (CAG) as on the date of EOI proposal. — submit an Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking.

#### 4.3 Technical Proposal Format:

The following quantitative information is required to be submitted by the Applicants:

4.3.1 Annual turnover of the firm for the past five financial years as of DD/MM/YYYY; should be submitted - submit an Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking.

4.3.2 Experience of the firm in terms of financial years up to DD/MM/YYYY in statutory audit. Experience in a financial year can only be considered if the total turnover of all the firms audited was at least Rs.50 Crores— submit an Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking.

4.3.3 Number of qualified Chartered Accountants working as fulltime Partners as on the date of submission of proposal. - submit an Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking.

4.3.4 Cumulative experience of the fulltime Chartered Accountant Partners of the firm as on the date of submission of proposal. -submit an Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking.

4.3.5 Number of Partners and detail profile of each partner with membership no. as on date of application to be stated.

#### Format for profile of partners/

##### Chartered Accountant Staff members:

Name of the Partner

Membership no.

Age

Qualification

Details of experience in statutory audit: Details of each work done along with the time period

Experience in audit of recognized Pension/Provident Fund:

(No. of years up to two decimals as on DD/MM/YYYY)

**Current Responsibilities**

Total experience (No. of years up to two decimals as on submission of application):

Tenure spent with the firm (No. of years up to two decimals as on submission of application):

Any other point

4.3.6 Number of clients of the firm for last five years as on DD/MM/YYYY- submit an Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking

4.3.7 Number of accounting staff members (excluding fulltime Partners), who are chartered accountants as on the date of submission of proposal. — submit an Undertaking from the Managing Partner or equivalent official of the Audit firm certifying the same. Refer section 5.3 for the format of Undertaking.

## 5. Formats for Covering Letter and Undertaking

### 5.1 Format for Pre-qualification Covering letter:

(To be submitted on the official letterhead of the interested party submitting the EOI proposal)

Ref: \_\_\_\_\_

Date/Place: \_\_\_\_\_

To

Sh. Sunil Kumar Yadav  
Regional P.F. Commissioner-I,  
Employees' Provident Fund Organization (EPFO),  
Regional Office, Master Tara Singh Nagar, Ladowali Road  
Jalandhar-144001

Ref: EOI Pre-qualification bid for empanelment as Auditor for Audit/re-audit related to PF Accounts of Exempted/Relaxed PF Trusts-reg.

Sir,

We refer to the communication inviting Expression Of Interest (EOI) for Empanelment as Auditor for re-audit of PF Accounts of Exempted/Relaxed PF Trusts under the jurisdiction of EPFO, RO, Jalandhar. We have read and understood the contents of the document and wish to participate in the empanelment process. We are pleased to submit our Pre-qualification bid along with all the necessary documents; as mentioned in the EOI Proposal, for empanelment as Auditor. We confirm that we satisfy the Pre-qualification criteria set out in the relevant sections of the EOI Proposal. We agree to unconditional acceptance of all the terms and conditions set out in the EOI documents. We confirm that the information contained in this proposal or any part thereof, including its exhibits, schedules, and other documents delivered to the EPFO is true, accurate, and complete. This proposal includes all information necessary to ensure that the statements therein do not, in whole or in part, mislead the EPFO as to any material fact.

We have agreed that (insert individual authorized representative's name here) will act as our representative on our behalf and has been duly authorized to submit the proposal. Further, the authorized signatory is vested with requisite powers to furnish such letter and authenticate the same.

Yours faithfully,

For and on behalf of --- (Insert company name)  
Authorized Signatory  
Affix Seal of the Company

## 5.2 Technical Proposal Covering Letter:

(To be submitted on the official letterhead of the interested party submitting the EOI proposal).

Ref: \_\_\_\_\_

Date: \_\_\_\_\_

To

To

Sh. Sunil Kumar Yadav  
Regional P.F. Commissioner-I,  
employees' Provident Fund Organization (EPFO),  
Regional Office, Master Tara Singh Nagar, Ladowali Road  
Jalandhar-144001

Ref: EOI Technical bid Proposal for empanelment as Auditor for Audit/re-audit related to PF Accounts of Exempted/Relaxed PF Trusts-reg.

Sir,

We refer to the communication inviting Expression Of Interest (EOI) for Empanelment as Auditor for re-audit of PF Accounts of Exempted/Relaxed PF Trusts under the jurisdiction of EPFO, RO, Jalandhar. We have read and understood the contents of the document and wish to participate in the empanelment process. We hereby confirm that we are legally empowered to act as Auditor and satisfy the requirements laid out in the EOI document. Having examined the EOI document, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide the services as required and outlined in the EOI document for empanelment as Auditor for re-audit of PF Accounts of Exempted/Relaxed PF Trusts.

To meet such requirements and provide such services as set out in the EOI documents, we attach hereto our response to the EOI document, which constitutes our proposal for being considered for empanelment as Auditor. We undertake, if our proposal is accepted, to adhere to the stipulations put forward in the EOI or such adjusted plan as may subsequently be mutually agreed between us and the EPFO or its appointed representatives. We agree to unconditional acceptance of all the terms and conditions set out in the EOI documents. We confirm that the information contained in this proposal or any part thereof, including its exhibits, schedules, and other documents delivered to the EPFO is true, accurate, and complete. This proposal includes all information necessary to ensure that the statements therein do not, in whole or in part, mislead the EPFO as to any material fact.

We have agreed that {insert individual authorized representative's name} will act as our representative on our behalf and has been duly authorized to submit the proposal. Further, the authorized signatory is vested with requisite powers to furnish such letter and authenticate the same.

Yours faithfully,

For and on behalf of (Insert company name)  
Authorized Signatory  
Affix Seal of the Company

5.3 Format for undertaking:

**UNDERTAKING**

(To be given on company letter head)

I \_\_\_\_\_ am the Managing Partner / equivalent official of \_\_\_\_\_ <company name> ("Chartered Account Firm/Auditor") having its registered office at \_\_\_\_\_

I am authorized to sign and execute this undertaking on behalf of the Auditor for submitting a proposal pursuant to the request for EOI proposal issued by the Employees' Provident Fund Organization ("EPFO"), RO, Jalandhar for empanelment as Auditor for re-audit of PF Accounts of Exempted/Relaxed PF Trusts.

I, on behalf of the Auditor, solemnly affirm and declare that as on the date of application:

- a) The Chartered Account Firm/Auditor has <Number> qualified Chartered Accountants working as fulltime Partners as on the date of submission of proposal.
- b) The Chartered Account Firm/Auditor has experience in each of the last FIVE (5) Financial Years ending DD/MM/YYYY in the field of Audit of recognized pension funds/provident funds/superannuation funds.
- c) The financial year-wise turnover of the firm in each of the five (5) financial years up to DD/MM/YYYY.
- d) The Chartered Account Firm/Auditor has functional office in Punjab state having responsible officials.
- e) The Chartered Account Firm/Auditor is empanelled with Comptroller and Auditor General of India (CAG) as on the date of submission of EOI.
- f) Annual Aggregate of the corpus of the recognized Pension/Provident Funds/ Superannuation Fund audited up to DD/MM/YYYY.
- g) The Chartered Account Firm/Auditor has experience in <Number> financial years up to DD/MM/YYYY in audit of accounts of firms and/ or recognized Pension/Provident Funds/ Superannuation Fund. Further, experience in a financial year was considered only if the Annual Aggregate of the corpus of the recognized Pension/Provident Funds or Aggregate Annual turnover of the firm(s) audited is at least Rs.50/- crore in the respective financial years.
- h) The fulltime partners of the Chartered Account Firm/Auditor has <Number> years of cumulative experience as on the date of submission of proposal.
- i) Number of clients of the Chartered Account Firm/Auditor are <Number>, <Number>, <Number> <Number> and <Number> up to DD/MM/YYYY.
- j) The Chartered Account Firm/Auditor would assign <Number> chartered accountants in the proposed execution team as and when the audit work is assigned.
- k) The Chartered Account Firm/Auditor has <Number> accounting staff members excluding fulltime Partners, who are chartered accountants as on the date of submission of proposal. Their profiles are also submitted in the prescribed format.
- l) The Chartered Account Firm/Auditor agrees to accept the Auditing Fees as per the rates prescribed by the ICAI for auditing the accounts of the Exempted Provident Fund Trusts and such fees are payable directly by the employers of Exempted establishments as per condition No.24(a) of Appendix A to para 27AA of EPF Scheme 1952. The firm shall negotiate the auditing fees directly with the concerned employer of the Exempted establishments and the RPFC/OIC, EPFO, RO, Jalandhar shall not in any manner, whatsoever, be involved in determining the auditing fees payable to the firm.

Solemnly affirmed and undertaken on the day and year herein below written, by:

Signature.....

Name .....

Date .....

Stamp of the Company