

कर्मचारी मविष्य निधि संगठन
उप क्षेत्रीय कार्यालय
श्री जयलक्ष्मी प्लासा
स्वर्णपुरी, सेलम 636 004



தொழிலாளர் வருங்காலை வைப்புநிதி
அலுவலகம்
துணை மண்டல அலுவலகம்
ஸ்ரீ ஜெயலக்ஷ்மி பிளாசா,
ஸ்வரண்புரி, சேலம் - 636 004.

EMPLOYEES' PROVIDENT FUND ORGANISATION

(MINISTRY OF LABOUR, GOVT. OF INDIA)

SUB-REGIONAL OFFICE, S.J. PLAZA, SWARNAPURI, SALEM-636 004

No. CB/SLM/Re-audit/PF Trust/Reg/2017

Date : 17.7.2017

Sub : Notice for inviting application from reputed CA firms to take up the work of re-audit of accounts of Provident Fund Trust maintained by establishments exempted under the EPF & MPs Act, 1952

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The EPF & MPs Act, 1952 is enacted by the Parliament to provide for the benefits of Provident Fund, Pension Fund and Insurance Fund to the employees working in the covered establishment.

To secure benefits better or at par with the statutory EPF Scheme, 1952, there is provision to exempt the establishment / class of employees from the operation of statutory EPF Scheme, 1952. For this purpose the exempted establishments have set up Provident Funds recognised by the Income Tax Department into which the Provident Fund contributions are remitted and accounted for and the funds are invested by the Board of Trustees (BOT) in accordance with the investment pattern notified by the Central Government from time to time.

The BOT are required to get the account of the fund audited by qualified auditors every year and file a copy of the audit report with the Regional Provident Fund Commissioner.

The Regional P F Commissioner is vested under Para 27AA of the EPF Scheme, 1952 to have the accounts of BOT re-audited by any other qualified auditor.

It is proposed to empanel reputed Chartered Accounts firms as Auditors for the purpose of re-auditing of the accounts of the Provident Fund Trust of the exempted establishment in Salem Region. Accordingly the CA firms interested in taking up the re-auditing work are required to submit the application in the format hosted alongwith this e-notice.

The eligibility criteria for empanelment of chartered accountant firms are as below :

1. CA firm should have registered with the Institute of CA's of India.
2. The firm should be in existence for atleast five years.
3. The firm should have minimum three Partners and of which atleast one should be FCA.
4. The firm should have empanelled for MEF with ICAI and CAG audit.
5. The firm should have conducted bank audit – (statutory branch audit / concurrent audit / revenue audit) for a minimum period of five years.
6. The firm should have conducted Government / Public Sector undertaking audit for atleast five years.

Cont'd.....2/-

Other Conditions :

- The audit is to be done by a team headed by qualified Chartered Accountant as per the audit proforma which is hosted on the website along with this e-notice.
- The empanelment will be initially for a period of one year which can be extended by another year depending upon the service rendered by the CA firms on mutually agreed terms and conditions.
- The proposed re-audit work of the PF Trust is required to be done in the period as specified by this office. **The last date of submission of application is 11th August 2017.** The application should be submitted to the undersigned as well as through e-mail on the e-mail address sro.salem@epfindia.gov.in.


(HIMANSHU KUMAR)
REGIONAL PF COMMISSIONER-II

EMPLOYEES PROVIDENT FUND ORGANISATION – REGIONAL OFFICE, SALEM
S.J. PLAZA, SWARNAPURI, SALEM-636 004

APPLICATION FORM FOR Re-Auditing of the Account of Provident Fund maintained by Board of Trustees of Exempted and Relaxed establishment

1. Name of the firm :
2. Date of establishment :
3. Registration No. and date with ICAI :
(copy of Firm Certificate as on 01.4.17 shall be enclosed)
4. IT Pan No. :
5. GST IN Registration No.
6. Office Address (with contact No & e-mail id) :

7. Address of Branch (in Tamilnadu, if any) :

8. Details of partners :

Name	Membership No.	FCA / ACA	Year of Enrolment	No of years of experience in years

Re-Auditing of the Accounts of Provident Fund maintained by Board of Trustees of Exempted and Related establishment – Norms

I. EMPANELMENT

The panel of auditors based on the eligibility criteria may be prepared by inviting application from the interested CA firms.

II. ELIGIBILITY CRITERIA

1. CA firm should have registered with the Institute of CA's of India,
2. The firm should be in existence for atleast five years.
3. The firms should have minimum three partners and of which atleast one should be FCA.
4. The firm should have empanelled for MEF with ICAI and CAG audit.
5. The firm should have concluded Bank audit of statutory branch audit / concurrent audit / revenue audit for a minimum period of five years.
6. The firm should have conducted Government / Public Sector Undertaking Audits for atleast five years.

RPFC in-charge of Region may relax certain conditions if a suitable firm with all criteria is not available for selection in respect of any of the establishment.

III SELECTION OF AUDITORS

From the Panel of auditors, the auditors to be appointed for each establishment shall be selected by the RPFC in-charge of the Region.

IV. SCOPE OF AUDIT

As per Audit proforma which is attached herewith by Pandit Deendayal Upadhyaya National Academy of Social Security (PDUNASS).

V. FEES STRUCTURE

VI. TERMS AND CONDITIONS :

The last date for submission of application is 11.08.2017.

The selected CA firms will be appointed initially for a period of one year which will be extendable by another year if their services are found satisfactory on mutually agreed terms and conditions.

The audit team should be headed by the qualified CA. The audit shall be taken up from the date as specified by this office.

PROFORMA FOR AUDITOR'S REPORT OF EXEMPTED TRUST TO BE ANNEXED WITH AUDITED BALANCE SHEET TO CONCERNED REGIONAL P.F COMMISSIONER DIRECTLY

PERIOD (01.04.20__ TO 31.03.20__)

I DETAILS OF THE ESTABLISHMENT:

- 1.1 (a) Name & address of the establishment :
- 1.2 P.F. Code no. of the establishment :
- 1.2 (a) PAN of the establishment :
- 1.2 (b) Name of the Establishment as per PAN :
- 1.2 (c) Ownership Type :
(Proprietorship/Partnership/Trust/co-operative Society/ Association of person/Limited Liability Partnership/HUF etc.) :
- 1.2 (d) Details of Branches/Units of Establishments participating in the Exempted Trust be provide separately in Annexure -A. (Annexure -A will have details of branches/Units with address and code numbers and not covered branches shown separately) :
- 1.2 (e) Name of the Participating Units with date of participation (In case of common PF Trust) :
- 1.2 (f) Has Exemption under EPF & MP Act 1952 obtained? Give details. In case of relaxation the details of relaxation orders be provided. :
- 1.3 Date of finalization of the Balance Sheet of the establishment for the year _____ :
- 1.4 Has there been any violation of condition no. 29 of conditions of exemption. If yes give details. :

S.No.	Name of participating Estt.	PF Code No.	Concerned RPFC	Number & date and effective date of Exemption notification	Number & date and effective date of relaxation order

- 1.5 Particulars of Bank Account of each of the participating establishments in the Trust. (Details of only Bank Accounts from which money is credited to the trusts need to be furnished).

II DETAILS OF TRUST

- 2.1 Name of the Exempted EPF Trust:-
- 2.2 PAN No. of the Trust
- 2.3 Income Tax order No. recognizing the Trust and date.
- 2.3 (a) Name of the Chairman and other Trustees with their address and contact no and date of appointment.
- (i) From Employees' side
 - (ii) From Employer's side
- 2.3 (b) Whether the composition of the Board of trustees is in accordance with Para 79 C of EPF Scheme.
- 2.3 (c) Whether the PF rules have been amended in accordance with the amendments made in the EPF Scheme. If no, the details. (*condition no. 10*)
- 2.4 Date of last constitution of the Board:
- 2.5 Date of finalization of the Balance Sheet of the Trust:-
- 2.6 Name of Depository Participant of the EPF Trust with whom the BoT is having its De-mat Account.
- Constituent Subsidiary General Ledger Account Details :
- SDS Account:
- Bank Account Details:-
(Where Trust is maintaining Accounts with IFS code)
(*condition no. 18*)
- Whether a show cause notice/proposal for

IV ENROLMENT OF EMPLOYEES:

4.1 Whether all the employees as defined under section 2(f) of the Act are enrolled as members (after verifying all the accounting heads). If not, the details of non-enrollment of the eligible employees be enclosed. *(condition no. 3)*

4.2 Total number member of P.F. members in the trust.
(a) Details in respect of contributing and non-contributing members be furnished.

(b) The details in respect of employees who are member of the PF Trust but not members of Employees Pension Scheme 1995 is enclosed.

(c) Number of "excluded employees". Is there any employee who qualifies for membership of the fund but has been shown under the excluded category by virtue of eligibility parameters as laid down under Para 2(f) of the EPF Scheme, 1952.

(d) In case of exemption under para 27 or 27A of the EPF Scheme, whether the contributions of employees other than those in respect of which exemption has been either granted or applied for have been remitted into the statutory fund with the RPFC

(i) The number of employees exempted u/p 27/27A

(ii) The number of un-exempted employees

(e) Whether Form no. 11 has been obtained in respect of all eligible employees.

4.3
(a) Whether establishment and participating units have engaged contractors?

(i) If yes, whether contractors employees are enrolled as PF members in the trust.

(ii) If not, whether contractors have been covered independently with EPFO? Whether the establishment/ participating units have any mechanism in place to ensure that all such employees are being enrolled as PF members. A note on the mechanism in place and the

Total no. of employee in all participating units (a)	Contributing members of the Trust (b)	Difference with reasons (a-b)	Participating establishment wise details of un-enrolled employees.

ANNEXURE -C

Sr. No	Name & address of the Contract or	PF Code No of Contracto	Total Amount Paid as wages by the contractor	No. of employee engaged by the contracto	Employers contribution paid by the employer to the contractor	No. of Employees enrolled by the contractor as PF members and employers contribution deposited with EPFO

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details of the contractors be enclosed as Annexure -C.

- (b) Whether the employer's share is being reimbursed to such Contractor by the establishment. Please specify the details

V CLAIM SETTLEMENTS, ISSUANCE OF ACCOUNTS SLIPS/PASS BOOK/ MEMBER GRIEVANCES:-

- 5.1 Whether all claims are settled within the maximum time frame prescribed by the EPFO (*condition no. 12*)

Sr. No.	Name & PF Account No. of the Member	Date of filing of claim with BoT (in case of repeated filing all dates be mentioned)	Date of settlement of claim	Delay in days

- 5.2 Whether there is an effective mechanism framed by Establishment for redressal of grievances related to Provident Fund. If yes, the details thereof. If not, specify the reasons.

- 5.3 Whether the Loans/Advances to the members have been sanctioned strictly according to the eligibility as delineated in the EPF Trust Rules, approved by the RPFC and no deviation has been made. In case of default, list of such cases may be submitted.

Sr. No	Name & PF Account No. of Member	Purpose for which Loan/Advance Sanctioned	Anomaly with regards to Trust Rules

- 5.4 Verification of the rejected/returned claims

- (i) Total number of claims received during the year
 (ii) Total number of claims settled during the year
 (iii) Total number of claims returned/rejected. Reasons for return/rejection as verified from records and percentage of return/rejection.

- 5.5 Whether the accounts in respect of the employees are maintained electronically and whether the members have access to their accounts and are able to see their account balance from the computer terminals. (*condition no. 13 & 15*)

- 5.6 Whether the Board of Trustees has issued an annual statement of accounts or passbook to every employee within six months of the close of the financial/accounting year. (*condition no. 14*)

5.7 In case if an employee who is already a member of the EPF or the PF of an exempted establishment is employed, whether his accumulations with his previous employer have been transferred and credited into his account by his new employer. *(condition no. 4)*

5.8' Whether there are cases of State Cheques/undelivered cases where no action has been taken by the BoT for re-authorization. If yes, specify the cases.

5.9 Whether the platform of the EPF Trust has been used for un-authorized private investments from members. The details of contributions/subscriptions other than deducted from the Salary/Wages of the employees may be detailed.

Sr. No	Details of un-authorized investment	Amount Remitted	Name of the remitter member

5.10 Whether there are any cases of irregular deduction of advances from the salary of the member. If yes, please specify.

VI Rate of interest:

6.1 Whether interest declared by the Board of Trustees is at par with or higher than that declared by the Central Govt. If not, please specify the source of funding the interest gap by the Trust

6.2 Whether Credit of Interest in the members Account is on Monthly Running Balance

VII Investments:

7.1 Whether the Board of Trustees has invested (within 2 weeks from the date of receipt of the said contributions) the monies of the provident fund as per the directions of the Govt. from time to time. *(condition no. 17)*

Sr. No	Wage Month	Investible Funds	Date of receipt of funds by the BoT	Date of investment	Delay in days with reasons

7.2 Total Invested Corpus as on 31st March, 20____ (Purchase value after amortization)

7.3 :
(a) Whether the entire amount received by the BoT from the establishment on account of EPF Contributions, reduced by the obligatory

payment made on account of settlement/loan/advances/transfer-out etc. has been invested as per the prescribed pattern of investment as notified vide notification dated **21.11.2013**. In case the Investment Pattern is not adhered to, the deviated amounts liable for surcharge as provided in condition no. 17 of Appendix-A annexed to Para 27AA of the EPF Scheme, 1952 may be mentioned. *(condition no. 17)*

Note: Investment pattern notified for EPFO being reflected here subject to final notification for exempted funds. The Table below shall be suitably modified in accordance with the investment pattern notified by the Government. *(condition no. 17)*

- (b) Whether on failure to invest as per the norms, the Board of Trustees separately and liable to pay surcharge. *(condition no. 17)*

Investment Pattern	% amount invested during the year	Norm	Quantum of Amount deviated	Reasons for deviation, if any	Amount liable for surcharge
1	2	3		4	
Government Securities & other Securities, Dedicated Mutual Funds.		Upto 55%			
Debt Securities & TDRs		Upto 55%			
Money Market Instruments		Upto 5%			
Total					

- 7.4 Whether all off market transactions have been made on authorized platform or have been reported to authorized platforms. Please give details. If not, please give details.

Sr. No	Nomenclature of Investment	Face Value	Purchase Price	Deal Amount	Deal date as per Deal Note	Reasons as quoted by BoT for not reporting the transaction.	Maximum and minimum Rate of the investment as reported on the platforms

- 7.5 (a) Whether all the investments made like purchase of securities and bonds have been lodged in the safe custody of Depository Participants (DP). *(condition no. 18 (d))*

7.10 Whether the Board of Trustees in order to meet obligatory expenses has prematurely redeemed any investments? If yes, whether prior approval of RPFC obtained. *(condition no. 20)*

7.11 Whether the mutual funds in which the BoT has invested the money are of the prescribed Gilt Funds set up as dedicated funds for investment in Government Securities and approved by the Security and Exchange Board of India. (to be revised to 2013 pattern)

Sr. No	Name of the Mutual Fund Scheme.	Type of Fund	Amount Invested	*NAV as on date of Purchase	Option (Growth/Dividend Reinvestment/Dividend Payout)	Details of approval of the Fund by SEBI

7.12 Whether the loss/profit on Mutual Fund has been booked on redemption/on the year end or fall/rise in NAV as the case may be.

7.13 Whether all commission, incentive, bonus or other pecuniary rewards given by any financial or other institutions for investments made by the Trust have been credited to its account. Furnish the details. *(condition no. 21)*

Nomenclature of Investment	Nature of incentive (Commission/bonus/pecuniary Reward)	Amount	Date of credit in the BoT Accounts

7.14 Whether the surplus income earned is being used only for the benefit of the members.

7.15 Has TDS been deducted on interest/maturity payments on any of the investments made by the trust so far? If yes, amount and whether it has been refunded by IT? Balance amount be mentioned.

Sr. No	Assessment Year	Investment nomenclature	TDS amount	TDS Certificate Details	Details of claim filed by BoT for Refund.

VIII Audit of Accounts:

8.1 Whether the accounts of the provident fund as maintained by the Board of Trustees are audited annually by a qualified independent Chartered

Accountant. *(condition no. 24)*

- 8.2 The date of submission of a copy of the auditors' report alongwith the audited balance sheet to the RPFC concerned. *(condition no. 24)*
- 8.3 Whether it is ensured that the same auditors are not appointed for the two consecutive years and for not more than two years in a block of six years. *(condition no. 24)*
- 8.4 Whether the Company has reported loss for three consecutive financial years or erosion in the capital base thereby invoking condition No. 25 of Appendix-A annexed to Para 27AA of the EPF Scheme, 1952. *(condition no. 25)*
- (a)
- (b) Whether the establishment is registered with BIFR
- 8.5 Whether any loss has been caused to the provident fund. *(condition no. 6 & 28)*
- 8.6 In case of losses to the BoT on account of defalcation, overpayment, wrong/fraudulent payment, wrong investment decision etc., whether it has been made good by the employer and not from the reserve/surplus of the EPF Trust. (In case of defalcation/fraudulent payment modus operandi to be detailed. *(condition no. 28)*
- 8.7 Complete details of the loss made good/recouped by the establishment including amount, cheque/D.D. no. and date of credit in the trust account. *(condition no. 28)*

Particulars of losses	Year Ended 31/03/20__	Previous Year ended 31/03/20__
Loss on account of Junk Investment(No interest and Maturity received)		
Capital Loss on premature encashment of investment for obligatory expenses		
Fraudulent/Overpayment/Embezzlement/Defalcation.		
Interest Due but not received		
Others (Please specify)		

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- 8.8 Details of losses, if any, written off by the Board of Trustees. *(condition no. 28)*
- 8.9 Whether all the expenses of the administration of the provident fund have been borne by the employer. Furnish the details. *(condition no. 6)*
- 8.10 Whether there are any un-reconciled amounts. If yes, please specify.
- 8.11 A special note to be given on treatment of investment whether it is marked to market or amortised or booked on face value. In case marked to market:
- (i) Value of assets on M to M basis
- (ii) Value of assets on purchase price (amortized)
- (iii) Difference as on 31st March _____
- 8.12 In case the Investment is booked at Cost and premium is amortized, the amount yet to be amortized as on year ending is Rs. _____

IX International Workers:

- 9.1 Whether appropriate amendment has been made in the PF rules in regard to International workers.
- 9.2 Whether compliance in respect of foreign passport holders is being made on full wages.
- 9.3 Details of COC obtained (outward) cases and compliance thereof in the PF Trust.
- 9.4 Details of COC exempted (inward) cases.
- 9.5 Details of COC overstayed cases, if any, and action thereof
- 9.6 Details of settlement of claims under the special provision, if any

X Others:

- 10.1 Whether any amendment of the rules has been made by the employer without the prior approval of the RPF.
- 10.2 Whether there is any unclaimed or amount lying in forfeiture account PF amount with the trust? If yes, the details thereof.
- 10.3 Number of disabled workers, PF contribution (Employees share remitted to the Trust and Government Contribution as per Para 82 of the Statutory Scheme).

It is certified that the above information has been verified from relevant original records and is an accurate reflection of the Financial and Compliance position of the Establishment and Exempted Trust.

(SIGNATURES, NAME & SEAL OF THE AUDITOR)