



SECURITIES AND EXCHANGE BOARD OF INDIA
SEBI Bhavan II, Plot No. C-7, 'G' Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Empanelment of forensic auditors for conducting forensic audit of listed companies

Securities and Exchange Board of India (hereinafter referred to as “SEBI”) invites applications of eligible firms/ body corporate (hereinafter referred to as “applicant”) for empanelment to take up assignments relating to forensic audit of financial statements of listed companies.

1. Eligibility criteria for empanelment

The applicant –

- i. Should have minimum 10 years of experience in the field of forensic audit.
- ii. Should have a minimum of 10 Partners/ Directors out of which at least 5 Partners/ Directors should be actively involved in forensic audit related work and should also have minimum 5 years of experience in the field of forensic audit.
- iii. Should have employed at least 20 persons (full time) as on March 31, 2024, having relevant qualification, experience and expertise in the field of audit, out of which at least 5 employees should have qualification relevant to the forensic audit (such as Certified Fraud Examiner, ICAI certification on Forensic Accounting and Fraud Detection, Diploma in Forensic Audit from ICMAI, etc.).
- iv. Proposed team for forensic audit assignment of SEBI should consists of minimum 4 persons, out of which minimum 3 should be Chartered Accountants/ Cost Accountants having experience of minimum 5 years in the field of forensic audit and should also have qualification relevant to the forensic audit (such as Certified Fraud Examiner, ICAI certification on Forensic Accounting and Fraud Detection, Diploma in Forensic Audit from ICMAI, etc.).
- v. The applicant should have had experience of undertaking at least 15 forensic audits (total) in past 3 years out of which at least 3 forensic audits should be undertaken upon assignment by the Regulatory body/ Government Agency/ Public Sector Enterprise it is empanelled with.

- vi. Total revenue of the firm/ body corporate from forensic audit assignments in the last 3 financial years must be at least INR 1 Cr.
- vii. Should have branches in at least 2 cities viz. Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune.

2. Procedure for Empanelment

- i. The decision for empanelment of an applicant shall be taken by the Competent Authority on a comparative assessment of the applications received. The decision of Competent Authority shall be binding on all applicants.
- ii. The Competent Authority reserves the right to accept or reject any or all the applications without assigning any reason.

3. Fees for Empanelment

Upon successful completion of the forensic audit assignment and upon acceptance of the forensic audit report by SEBI, the forensic audit firm/ body corporate will be paid fees in the range of INR 10 lakhs – INR 30 lakhs* exclusive of statutory taxes. The exact amount of fees paid within the aforesaid payment range would depend on following two factors:

- a. No. of years for which forensic audit is conducted.
- b. Size of the listed company for which forensic audit is conducted.

**In case of exceptional circumstances, if the Competent Authority is satisfied then the fees paid to the forensic auditor can exceed INR 30 Lakhs as mentioned above.*

4. Disqualification

Application shall not be considered where disciplinary action/ proceedings have been taken/ initiated against the applicant, its partners/ directors/ employees, by any Regulatory Body or Court of law during the past 10 years. The applicant should not be blacklisted by any Central Govt./ State Govt./ PSU/ Govt. bodies/ any foreign organization. A signed Declaration by the Authorized signatory in this regard should be submitted along with the application.

5. Mode of application:

SEBI invites online applications at <https://mstcecommerce.com/eprocn>. Applicants are requested to go through the Appendix – Important instructions regarding empanelment of forensic auditors through MSTC Portal, for any queries. MSTC

portal for empanelment process shall be open to the applicants for 21 days from the date of publication of advertisement. Applicants are advised to submit the required information/ data in PDF and MS excel formats as mentioned on the MSTC portal.

It may be noted that application received in any other manner or after the aforesaid due date are liable to be summarily rejected.

Annexure – Formats of application form and other information/ documents

1. Application Form

| Sl. No. | Name of the field | Response |
|---------|---|----------|
| 1(a) | Name of the applicant | |
| 1(b) | Full address | |
| 1(c) | Contact No. | |
| 1(d) | E-mail ID | |
| 1(e) | Name of the Contact Person(s) | |
| 2 | ICAI Registration Number of the Firm (FRN)/ ICMAI Registration Number of the Firm (FRN)/ CIN no. of the Company/ Unique Identification no. (Attach supporting documents) | |
| 3 | PAN/ TAN No. (Attach supporting documents) | |
| 4 | Date from which the firm/ body corporate has been in practice in the field of forensic audit (Attach supporting documents evidencing forensic audit work undertaken on or before April 1, 2014) | |
| 5 | Number of full time partners/ directors involved in forensic audit related work, their qualification and past experience (Attach supporting documents related to brief profile of the partners/ directors evidencing forensic audit work undertaken) | |
| 6 | Number of full time employees having relevant experience and expertise in the field of forensic audit | |
| 7 | Details of the proposed team i.e., names, qualifications, experience, location of team members, curriculum vitae (CV) and other credentials in the forensic work area along with number of relevant assignments completed, date-wise, by them should be enclosed. | |
| 8 | Details of branches (full address, contact no., e-mail id, name of the contact person) | |
| 9 | Details of Forensic Investigative Tools presently used by the firm/ body corporate in its Forensic Laboratory (Mention the IT and Non-IT tools) covering areas such as - Bank Statement/ Fund trail analysis tools. - Big Data Analysing tools - Email investigating tools - Investigation tools/ software | |
| 10 | Details of experience in forensic audit of listed companies, banks, insurance companies, public sector enterprises, large reputed organizations, etc. (Attach summary of work conducted for each category of company separately. Also specifically attach details of forensic audits undertaken in past 3 years upon assignment by the Regulatory body/ Government Enforcement agency/ Public Sector Enterprise with whom the applicant is empaneled with) | |
| 11 | Details of empanelment with any Regulatory Body/ Government Enforcement Agency/ Public Sector Enterprise | |

| | | |
|-------|---|--|
| | (Attach supporting documents evidencing empanelment) | |
| 12(a) | Revenue of the firm/ body corporate from forensic audit assignments in FY 2021-22 (INR Lakhs) (Attach supporting documents evidencing revenue) | |
| 12(b) | Revenue of the firm/ body corporate from forensic audit assignments in FY 2022-23 (INR Lakhs) (Attach supporting documents evidencing revenue) | |
| 12(c) | Revenue of the firm/ body corporate from forensic audit assignments in FY 2023-24 (INR Lakhs) (Attach supporting documents evidencing revenue) | |
| 13 | Any other remarks, if any | |

2. Details of Partners/ Directors of the Applicant

| Name | Designation | Date of joining the firm/ body corporate | Membership Number (if any) | Educational Qualifications | Qualifications relevant to the forensic audit | Total Experience (Years) | Experience (Years) in forensic audit related work |
|------|-------------|--|----------------------------|----------------------------|---|--------------------------|---|
| | | | | | | | |
| | | | | | | | |

3. Details of Employees of the Applicant

| Name | Designation | Date of joining the firm/ body corporate | Membership Number (if any) | Educational Qualifications | Qualifications relevant to the forensic audit | Total Experience (Years) | Experience (Years) in forensic audit related work |
|------|-------------|--|----------------------------|----------------------------|---|--------------------------|---|
| | | | | | | | |
| | | | | | | | |

4. Details of Branches of the Applicant

| City (also indicate whether it is Head Office/ Branch) | No. of Branches | Whether Metro? (Yes/ No) | No. of Branches having Forensic Practice |
|---|-----------------|-----------------------------|--|
| | | | |
| | | | |

5. Details of Other Empanelment of the Applicant

| Organization | Empaneled since | No. of assignments undertaken in past 3 financial years {also mention total Cost of Project (in INR)} | Documentary Evidence |
|--------------|-----------------|---|----------------------|
| | | | Attachment |
| | | | Attachment |

6. Details of judgments passed/ actions taken/ initiated based on the forensic audit of the Applicant

| Judgment Reference | Documentary Evidence |
|--------------------|----------------------|
| | Attachment |
| | Attachment |

7. Details of enforcement/ disciplinary proceedings against the Applicant by Regulatory body/ Government Enforcement Agency/ Public Sector Enterprise in past 3 years

| Name of the Organization | Date of Action taken/ initiated | Nature of the Violation | Details of Action taken/ initiated |
|--------------------------|---------------------------------|-------------------------|------------------------------------|
| | Attachment | | |
| | Attachment | | |

8. Details of revenue of the firm/ body corporate from forensic audit assignments

| Financial Year | Name of the organization/ client | Fees received (in INR) | Appointment letter which contains fees details/ Invoice | Type of audit performed |
|----------------|----------------------------------|------------------------|---|-------------------------|
| 2021-22 | | | Attachment | |
| 2022-23 | | | Attachment | |
| 2023-24 | | | Attachment | |

Undertaking

We, the following partners/ directors of _____ hereby jointly and severally verify and declare:

1. That the particulars given above are correct and further recognize that if any of the statements made therein or the information so furnished in the application form are incorrect or false, it will disqualify the firm/ body corporate from empanelment and also make us liable for appropriate action under the extant laws.
2. That upon empanelment, irrespective of any statements included in the forensic audit reports submitted by us to SEBI, we will ensure that responsibility for following rests with us:
 - a. Sufficiency of the information/ work steps/ procedures for the forensic audit.
 - b. Validation of data/ information relied upon (to the extent possible) during the forensic audit.
 - c. Adequacy, reasonableness and relevance of sampling/ filtering methods used by us for the forensic audit (if any).
 - d. Act as an expert witness or provide an expert opinion or expert testimony during the course of any legal proceeding for the purpose of SEBI examinations/ investigations based on our forensic audit.
 - e. Usage of forensic audit report, in full or in part, by SEBI or sharing of the same by SEBI with any other Regulatory body/ Government Enforcement Agency/ Public Sector Enterprise.
3. That no disciplinary action/ proceedings have been taken/ initiated against the applicant, any of its partners/ directors, by any Regulatory body or Court of law in past 10 years.

| Sl. No. | Name of the Partner/ Director |
|---------|-------------------------------|
| 1 | |
| 2 | |
| 3 | |
| 4 | |
| 5 | |

**Signature of Authorised Signatory
with date and Office Seal**