

Section	Page No.	Relevant text as per the RFP	Query/ understanding	Reply
Section 3.3.1	Page 23	a.) Review of the Coverage, Model & Process of all types of internal audit conducted in Domestic & International Operations & recommend / suggest for improvement.	<p>1.) What is the number and types of Audits that are currently performed by the Internal Audit Department at the Bank?</p> <p>2.) Does the scope of work include coverage with respect to operational elements of international branches as well?</p> <p>3.) Does it include the review of the audit checklists/ audit procedures deployed by the Bank and whether the procedures are in line with business/ credit policies laid-down by the Bank? Please confirm</p> <p>4.) Does Assessment of the coverage for each type of audit performed would require conducting walkthroughs / review documentation of the underlying functions / processes to determine the comprehensiveness of Audit Universe?</p>	<p>The scope of engagement includes review of Internal Audit Framework of Bank. Various Types of Audits currently performed by Internal Audit department covering domestic & overseas Branches, Centralized Units & Administrative Offices broadly consists of :</p> <ol style="list-style-type: none"> 1. Risk Based Internal Audit 2. Concurrent Audit 3. Credit Audit 4. Information System Audit 5. Offsite Surveillance & Data Analytics 6. Management Audit <p>Scope of work includes review of all aspects of Internal Audit including Policy, Manual, Coverage, Audit methodology for all types of Audits. Objective for this engagement is to create "Best in Class" Internal Audit framework in the Bank.</p> <p>---- do ----</p> <p>---- do ----</p> <p>---- do ----</p>

Section 3.3.1	Page 24	b.) To recommend Global Best Practices based on Regulatory Framework for Audit (Major overseas centres viz. USA, UK & Singapore.)	<p>1.) Does the scope also require us to prepare routines for BOB pertaining to all the applicable regulatory compliances?</p> <p>2.) Whether the global best practices based on the regulatory framework are to be recommended only for overseas centers (USA, UK and Singapore)</p> <p>3.) We understand that the scope is restricted to regulations impacting IA department such as RBIA circular etc. We understand that the RBI / statutory guidelines applicable for the business such as KYC etc. are outside the scope of this review. Please confirm.</p>	<p>Scope includes to review the existing coverage and methodology and suggest on area of Regulatory compliance, which are presently not adequately covered.</p> <p>Yes, as part of engagement, the global best practices as applicable based on Regulatory Framework at USA, UK & Singapore are to be recommended for audit of overseas Branches</p> <p>KYC Audit is integral part of Risk Based Internal Audit and accordingly, it has to be reviewed for its adequacy & effectiveness.</p>
Section 3.3.2	Page 24	Note: Internal Audit Framework covers – Organizational Structure, Audit Universe, Audit Methodology, Audit Charter / Policy, Audit Manual, Audit Reporting mechanism for Risk Based Internal Audit / Concurrent Audit / Credit Audit / Management Audit (Including domestic as well as overseas operations of the Bank viz. Branches / Administrative Offices / Centralized Processing Units / Subsidiaries)	<p>1.) We understand that as part reviewing the organization structure for the IA function we shall only be looking into the design of the same from the reporting and independence perspective and shall not conduct any time & motion study in order to perform manpower assessment to comment on adequacy of the resources.</p>	<p>It is clarified that Review of internal Audit Framework should cover all areas of activities under internal Audit framework. Review of Organization structure include every aspects including manpower assessment.</p>
Section 3.3.1	Page 24	Present status of Audit Automation and appropriate	<p>1.) We understand that the scope is restricted to high level review of the audit systems / tools and applications deployed by IA department at the bank and does</p>	<p>Scope includes review of present audit automation and suggest appropriate recommendation if any, for improvement. Firm may adopt appropriate approach for such review.</p>

		recommendation	not require any kind of testing of any application or workflow Controls. Please confirm.	
Section 3.3.1	Page 24	Suggest appropriate Dash-Board and Data Analytics tool to track down major deviation triggering Pre-emptive Audit	<p>1.) We understand that Pre-emptive audit is out of scope and that service provided will be required to create dashboard based on the historical data shared with them? Please Confirm</p> <p>2.) We also understand that any text mining or dashboard on text data is out of scope of this engagement and Infact any data manipulation is altogether out of the scope. Further, data required for formulating dashboards shall be provided by the Bank? Please Confirm.</p>	<p>As part of engagement, Firm has to review the internal Audit framework and suggest measures to further strengthen the Internal Audit Framework.</p> <p>Service provider has to suggest us various scenarios and other triggers as well as appropriate data analytical tool for deriving information for dash board, which may be useful for pre emptive audit.</p>
	Page -2	Timeline & Submission of response	It is requested to accept bid document at Corporate Office, Mumbai.	It is agreed and addendum to RFP is floated for submission of RFP Response at either H.O., Baroda or BCC, Mumbai.