

SCOPE / COVERAGE OF HEAD OFFICE CONCURRENT AUDIT

A	Accounts department	CASH	Periodicity
	1	System of monitoring of cash	Monthly
	2	Insurance cover (including cash in transit)	Monthly
	3	Call Money Operations	Monthly
	4	System relating to call money operations	Monthly
	ASSET LIABILITY MANAGEMENT		
	1	Existence of policy & monitoring thereof & compliance with RBI guidelines	Monthly
	2	Functioning of Asset Liability Management Committee	Monthly
	3	Structural Liquidity at periodical intervals	Monthly
	4	Balancing of books / reconciliation of subsidiary records	Monthly
	5	Inter branch reconciliation-system / procedure and record maintenance	Monthly
	6	Test check for any unusual entries put through inter-branch / Head Office accounts	Monthly
	7	Position of long outstanding entries of high value	Monthly
	8	Steps taken for bringing reconciliation up-to-date	Monthly
	9	Compliance with RBI guidelines with respect to provisioning for old outstanding entries	Monthly
	OTHER ISSUES		
	1	Reconciliation of accounts maintained with other banks	Monthly
	2	Monitoring of CTR / STR	Monthly
	3	Sanction of Deceased claims	Monthly
	4	Management / Payment of Overdue deposits	Monthly
	5	Compliance of Tax Audit	Quarterly
	6	Issues related to TDS- deduction- payment & filling of return	Monthly
	7	Payment of DICGC fees & submission of returns	Half-yearly
	8	Remittance of unclaimed deposits to RBI after 10 years	Half-yearly
	9	Scrutiny of vouchers on sample basis (say 10%)	Monthly
	10	Insurance of bank assets at branches & Head Office	Monthly
	11	Payment of dividends	Yearly
	12	Maintenance of CRR / SLR & compliances thereof	Monthly

B	Investment department	INVESTMENTS	Periodicity
	1	Investment policy vis-a vis RBI guidelines	Yearly
	2	Delegation of powers for purchase / sale of investments, reporting system, segregation of back office functions	Monthly
	3	Control over investments, periodic verification / reconciliation of investments with book records	Quarterly
	4	Valuation mode, changes in mode of valuation, shortfall and provision therefore	Yearly
	5	Composition of investment portfolio as per RBI guidelines and depreciation on investment	Yearly
	6	System relating to unquoted investments in the portfolio and liquidity of such investment	Quarterly
	7	System relating to SGL/BRs, control over SGL/BRs, outstanding	Monthly
	8	System of recording and accounting of income from investments	Quarterly
	9	Monitoring of income accrued and due but not received	Half yearly
	10	Monitoring of matured investments and their timely encashment	Monthly
	11	Classification of investment under Held to maturity & Available for sale	Yearly
	12	Scrutiny of sale purchase transactions	Monthly
	13	Broker wise bifurcation – observations of norms	Monthly
	14	Physical verification of securities held	Quarterly
	15	Observance of IRAC norms in investments and provision thereof	Yearly
	16	Sale/Purchase Transactions- Short Sale/Loss Booked, if ny.	
C	ADVANCES DEPARTMENT		Periodicity
	1	Loan Policy- Existence of loan policy, specifying prudential norms, exposure limits etc	Yearly
	2	Credit Appraisal – Existence of well laid-down system of appraisal of credit proposals, adequacy of information for appraising the credit worthiness of the applicant and adherence thereto.	Monthly
	3	Sanction of proposals- Delegation of powers to various levels, adherence to authorized limits	Monthly
	4	Norms and awarding Credit Rating	Monthly
	5	Review / Renewal of Cash Credit including enhancements in limits	Monthly
	6	Communication of sanctions- clarity of terms & conditions	Monthly

	7	Consortium Advances- meeting- minutes- compliance of action points	Quarterly
	8	Classification of advances- priority, weaker sections etc.	Quarterly
D	RECOVERY DEPARTMENT		Periodicity
	1	Existence of recovery policy- monitoring and adherence to RBI guidelines	Yearly
	2	Effectiveness of the system for compiling data relating to bad & doubtful advances and provision thereof	Quarterly
	3	System for identification, quantification and adequacy of provision	Half yearly
	4	Ascertaining the realizable value of securities (including valuation of fixed assets)	Quarterly
	5	System of compromise settlements	Monthly
	6	Compliance of RBI guidelines on IRAC norms	Monthly
	7	Provisions / write-offs under proper authority	Yearly
	8	System of identifying and reporting of willful defaulter	Quarterly
	9	Scrutiny of SARFAESI actions/ Arbitration cases/ Suit filed cases / Actions under sec. 101 of Co-op Act	Monthly
	10	Scrutiny of technical write-off	Yearly
	11	Movement of NPA- UPGRADATION ETC	Quarterly
12	Reconciliation and accounting procedure in respect of OIR & IR for prudential write-off	Yearly	
E	CREDIT MONITORING DEPT		Periodicity
	1	System and periodicity of stock audit- compliance thereof	Half yearly
	2	Vetting of documents (10 lakh & above) compliance of irregularities	Monthly
	3	Consortium Advances- exchange of information with member banks	Quarterly
	4	Monitoring of review renewal of cash credit limits	Monthly
	5	Identification and monitoring of SMA accounts	Monthly
	7	Review of restructured accounts as per RBI guidelines	Quarterly
	8	Valuation of movable/immovable securities	quarterly
F	INSPECTION & AUDIT DEPT		Periodicity
	1	System of branch inspection, frequency, scope/ coverage of inspection / internal audit , concurrent audit / RBIA	Quarterly
	2	Compliance and closure of reports	Monthly
	3	Appointment, allocation of branches, payment of audit fees of concurrent auditors	Yearly

	4	Conduct of internal audit & compliance of reports	Quarterly
	5	Conduct of RBIA compliance and closure of reports	Monthly
	6	Appointment of Statutory Auditor, payment of fees	Yearly
	7	Appointment, conduct, payment of fees, compliance of IS audit	Yearly
G	INFORMATION TECHNOLOGY DEPT		Periodicity
	1	Existence and compliance of I T policy	Yearly
	2	Critical areas of operations not covered by bank	Monthly
	3	Procedures for back-ups, offsite storage, contingency and disaster recovery and adherence thereto	Monthly
	4	Coverage, compliance of IS Audit	Yearly
	5	Scrutiny of purchase transactions relating to Hard ware, Software- payment of bills- GST	Monthly
	6	Scrutiny of various AMCs- renewal thereof	Monthly
	7	Checking of CTR(cash transaction reports), STR (suspicious transaction reports), CCR(counterfeit currency report), NTR(Non-profit transaction report) and white listing as per branch information	Monthly
	8	Clearing- payments- return- account maintenance	Monthly
	9	Risk wise classification of deposit accounts	Monthly
	10	Monitoring of KYC / Re-KYC as per RBI guidelines	Monthly
H	SHARES& BOARD MEETINGS		Periodicity
	1	Scrutiny of share applications	Monthly
	2	Details of membership & share capital	Monthly
	3	Classification of membership	Monthly
	4	Details of Board meetings & Sub-committee meetings	Monthly
	5	Constitution of Board of Management & its meetings as per RBI guidelines	Monthly
I	ADMINISTRATION DEPT		Periodicity
	1	Man power planning, recruitment, promotions, succession planning	Quarterly
	2	Checking of Salary payments & other payments, increments, Leave record, terminal benefits of the employees	Monthly
	3	Payment of P.F, Gratuity and provision thereof	Monthly
	4	Payment of various bills, GST/TDS and other statutory obligations	Monthly
	5	Departmental enquiries of staff members up to logical ends	Monthly

6	Empanelment of Advocates, Valuers for Tangible securities, Gold valuers and payment of their fees	Quarterly
7	Purchase of furniture & fixture, machinery, equipments etc- quotation, notes , sanction and payment of bills	Monthly
8	Purchase / printing of stationery, payment of bills	Monthly
9	Monitoring of customer / public complaints	Monthly
10	Security and cleanliness of branches and Head Office	Monthly
11	Marketing & Publicity- payment of bills	Monthly
12	General Administrations at branches and Head Office	Monthly

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