

Letter of acceptance to be obtained on firm's Letter head

To,

The General Manager,
Baran Nagrik Sahkari Bank Ltd.,
Head Office Near Bus Stand Baran -325205

Dear Sir,

Sub : Concurrent Audit of your _____ Bank

With reference to your letter No.: _____ dated _____ on the subject matter, we do hereby convey our acceptance to undertake the audit of your above mentioned branch on the terms and conditions mentioned therein.

As desired by you, we send herewith the following documents:

1. Letter of acceptance (Annexure-A)
2. Due Diligence of staff/employees. (Annexure-B)
3. Letter of confirmation regarding non-disqualification of Audit Firms/Consultant. (Annexure-C)
4. Do's & Don'ts (Annexure-D)
5. Declaration of Fidelity & Secrecy. (Annexure-E)
6. Declaration by Auditor for completion of residual works and closure of audit file in the case of submission of letter for withdrawal from audit work. (Annexure-F)
7. Declaration regarding professional/commercial relationship with the borrowers of the bank and credit facilities by the firm declared as NPA with any bank (As per Annexure-G)
8. Undertaking by Concurrent Auditor to provide various certificates as and when required without any additional certification fee. (Annexure – H)

Yours faithfully,

For and on behalf of,

M/s. _____

Partner

(Name of partner with firm's seal)

Encl : as above.

Place :

Date :

Declaration/Undertaking (To be given on Letter Head of the firm)

To,

The General Manager,
Baran Nagrik Sahkari Bank Ltd.,
Head Office Near Bus Stand Baran -325205

Dear Sirs,

Subject : Due Diligence of our employees

We, M/s. _____ have been entrusted with Concurrent Audit assignment of _____ Bank in terms of letter No. _____ dated _____.

As per the clause No. _____ of the aforesaid letter, we unconditionally agree to exercise due diligence of all our employees and undertake to engage persons having established identity, integrity, requisite qualifications and skills and deployment experience for offering the services under the aforesaid contract.

We hereby give an undertaking/confirmation that a proper due diligence of our present employees, engaged for offering the services has been conducted by us as per the clause No. _____ of the above mentioned letter.

Yours faithfully,

For and on behalf of,

M/s. _____

Partner

(Name of partner with firm's seal)

Place :

Date :

Letter of confirmation regarding Non-disqualification of Audit Firm/Consultant (to be submitted on firm's letter head)

To,

The General Manager,
Baran Nagrik Sahkari Bank Ltd.,
Head Office Near Bus Stand Baran -325205

Dear Sir,

With reference to your letter No. _____ dated _____ we confirm as follows:

- i. Any of our partners is not an officer/employee of your Bank.
- ii. Any of our partners is not a partner or in employment of any office or employee of your Bank.
- iii. Any of our partners or Associates firms or sister concern or Branch office, is not assigned with Statutory Audit of your Bank.
- iv. We are not otherwise disqualified to accept the audit in terms of Section 141 of the Companies Act - 2013.
- v. Firm/any partner has not been disqualified/de-empanelled or our appointment has not been terminated by RBI/ICAI/Bank/any other Bank on an earlier occasion.
- vi. We also confirm that we are full time practicing chartered accountants and are not employed elsewhere and do not have any other business interest.
- vii. We undertake not to subcontract the audit work assigned to us to any outsider.
- viii. We do/will not have any professional or commercial relationship with the borrowers of the branch/Department which we are auditing. ix. We also confirm that we will not give room for disqualification during the course of audit for any of the reasons mentioned above.
- x. Credit facilities availed by the firm or partners of firms in which we are partners including any facility availed by a third party for which the firm or any of its partners is/are guarantor/s have not turned or are existing as Non-performing assets as per the prudential norms of RBI
- xi. The firm has necessary office set up & adequate personnel to ensure proper deployment and timely completion of assignments.
- xii. We further confirm that as on date, we do not have any Concurrent Audit assignment/Statutory audit or any other audit assignment from Baran Nagrik Sahkari Bank Ltd., nor are under cooling period for Concurrent Audit assignment with Baran Nagrik Sahkari Bank Ltd..

Yours faithfully,

Place:

For and on behalf of,

Date:

M/s. _____

Partner

(Name of partner with firm's seal)

To be submitted on firm's letter head

To,

The General Manager,
Baran Nagrik Sahkari Bank Ltd.,
Head Office Near Bus Stand Baran -325205

Dear Sir,

We undertake to observe the following do's & don'ts during the currency of audit.

DO'S AND DON'TS FOR CONCURRENT AUDITORS

Do's

The Inspecting Concurrent Auditors should

1. Carry out Pre-inspection study of the branch by going through the auditee related off site surveillance reports and pre requisite documents.
2. Prepare proper audit plan based on 1 above.
3. Maintain utmost secrecy with regard to inspection program and its findings.
4. Display team spirit and avoid misunderstandings / arguments in the presence of auditees.
5. Commence inspection of the branch before commencement of business hours to verify the physical cash, security arrangement etc.
6. Act in a normal friendly fashion and help to improve normal working of the branch.
7. Discuss his findings with branch officials on daily basis and try to rectify the defects then and there itself.
8. Give auditees a chance to express their opinion while discussing the issues. Getting proper explanation in a co-operative atmosphere will save precious time.
9. First discuss with the leader of his team in case of difference of opinion with auditee. Further discussion with CEO/General Manager if required, may be made. Besides, discussion if required with ACB can also be made for guidance / instruction.
10. Report the matter to the leader of the team immediately if the inspecting officer comes across any information which causes him to suspect any element of fraud, gross negligence, gross incompetence or similar unfavourable actions or tendencies.
11. Ensure the members of the team keep continuous dialogue with the leader of the team on important findings and be guided by his advice.
12. Maintain a neat appearance and courteous manners.
13. Do release report of the audit by 10th of succeeding month as new process is a time bound programme.
14. Do attend the branch for audit work as per the schedules referred in the appointment letter.
15. To respond to the correspondence made by the bank in time during the course of assignment.

Don'ts:

1. Auditor need not act overly reserved or unfriendly in order to maintain his independence as an inspecting officer. A forbidding attitude on his part may well cause others to adopt the same attitude towards him. This can adversely affect the work entrusted to the inspecting officer.
2. Auditor should not get involved in heated argument with auditee.
3. Auditor should not give orders to auditee and seek requirements from the officer assigned to assist him on a particular job. The concerned officer of the bank would issue the necessary orders to it's staff for providing the desired information.
4. Auditor should not delay the submission of audit report or else penalty will be levied for delayed submission.
5. Auditor should not disclose sensitive matters of the auditee with outsiders.

For and on behalf of,

M/s. _____

Partner

(Name of partner with firm's seal)

Place :

Date :

Declaration of Fidelity And Secrecy

(to be submitted on firm's letter head)

We, _____ in the capacity of _____
do hereby declare that we will faithfully, truly and to the best of our skill and ability execute and perform the duties required of us as Consultant of Baran Nagrik Sahkari Bank Ltd. and which properly relate to the office of position in the said Baran Nagrik Sahkari Bank Ltd. held by us.

We further declare that we will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of Baran Nagrik Sahkari Bank Ltd. or the affairs of any person having any dealing with Baran Nagrik Sahkari Bank Ltd., nor will we allow any such person to inspect or have access to any books or documents belonging to or in the possession of Baran Nagrik Sahkari Bank Ltd. and relating to the business of Baran Nagrik Sahkari Bank Ltd. or to the business of any person having any dealing with Baran Nagrik Sahkari Bank Ltd..

We further declare that we will not scan/photo copy of any the Bank documents through various devices and will not share with anybody verbally, written or by any other mode of communication.

For and on behalf of,

M/s. _____

Partner

(Name of partner with firm's seal)

Place :

Date :

UNDERTAKINGS BY CONCURRENT AUDIT FIRM /AUDITOR

A) We hereby undertake that during the tenure of audit period we will not merge our firm with any other firm or reverse merger of any another audit firm with our firm will not be taken place, and if it is desirable, we will inform the merger information well in advance to the Bank without fail to facilitate the Bank to take required action.

Further, we also undertake to complete all the audit related work as per the guidelines including of file closure till such time we attended the audit.

B) Our firm/we were appointed as Concurrent Auditor of _____ branch with IBR Code _____ from _____ to _____ as per your appointment letter.

Due to exigencies and reasons beyond our control, we are unable to continue the audit and submitted our withdrawal letter on _____. We have completed the audit of above branch/unit up to _____ 20 ____.

We hereby undertake to attend all the residual works of compliance & other audit related works and will complete the audit final closure and others till the month of _____ 20 _____. We request you to relieve us from the audit work of the branch after ensuring the completion of the work.

For and on behalf of,

M/s. _____

Partner

(Name of partner with firm's seal)

Place:

Date:

DECLARATION BY CONCURRENT AUDIT FIRM /AUDITOR

We _____ in the capacity of _____ do hereby declare that we do not have any professional or commercial relationship with the borrowers of the _____ Branch/Vertical/Unit which we are auditing.

We _____ in the capacity of _____ do hereby declare that none of the credit facilities availed by the firm or firm's partners are declared as NPAs with any Bank.

For and on behalf of,

M/s. _____

Partner

(Name of partner with firm's seal)

Place:

Date

UNDERTAKINGS BY CONCURRENT AUDIT FIRM /AUDITOR

We hereby undertake that we will provide various certificates to the Bank like NPA provisioning, insurance coverage, P & L Accounts, ALM, CRAR, DICGC, DEAF Certification regarding Tax Audit or any other certificates as desired by Bank without any certification fees. We will provide all necessary certificates including Monthly/quarterly, half yearly, annual closing of Book of Accounts that need to be given by audit firm as a part of Concurrent Audit Assignment without any additional certification fee.

For and on behalf of,

M/s. _____

Partner

(Name of partner with firm's seal)

Place:

Date