

STATE BANK OF INDIA, ANTWERP BRANCH
REQUEST FOR PROPOSAL – APPOINTMENT OF INTERNAL AUDITORS

We, State Bank of India, Antwerp, invites quotations/Proposal for appointment of Internal Auditor for a period of 3 years (01.04.2023 to 31.03.2026) subject to annual review of the audit and the periodicity of the audit is as per the audit plan enclosed.

Important Points for submission of the proposal:

1. All reports should be in **English**.
2. Reports should be given as per the Bank's Format. The format may undergo change time to time as per Banks' requirements.
3. The Draft audit report should be discussed in an exit meeting before finalization of the report.
4. **Timelines** for conduct of quarterly audit: -
 - (i) Field work to be completed not later than 4 weeks from the quarter end date.
 - (ii) Draft Report to be issued not later than 2 weeks from completion of fieldwork.
 - (iii) Final Report to be issued within 2 weeks from receipt of management response to draft report (2 weeks for management response)
 - (iv) Penalty of 5% of audit fee levied in case of non-adherence to mentioned timelines.
5. The proposal should invariably contain information on the parameters listed below, as all these parameters have been assigned some weightage and score and non-submission of the information will affect the chances of being engaged as Internal Auditor.
 - a) Proposed Audit Methodology
 - b) Deliverables based on our audit requirements.
 - c) Profile including qualification, functional expertise & experience of audit personnel identified for conducting audit.
 - d) One sample audit report
 - e) Details of all major Banking clients (Foreign Banking Clients to be indicated separately which will help in evaluation process)
 - f) Dun & Bradstreet report
 - g) Terms & Conditions, if any, for taking up the engagement as Internal Auditor.
 - h) Financial Quote, i.e., Blended Hourly Rate in Euros and estimated annual total cost for each of the 3 years. Applicable Taxes and Out of pocket expenses, if any, (maximum 5% of total cost), should be indicated separately.
 - i) Ranking in the financial services audit industry (If available).
6. Please find the scope of the audit (Please refer **Annexure A Detailed Scope**) to enable you to arrive at the estimated audit cost in addition to the NBB Circular NBB_2015-21 dated 13.07.2015 regarding the Internal control systems and the Internal audit functions. We also advise that the audit firms that **on selection** will be required to:
 - a. The selected audit firm will be shared the guidance note on risks assigned to all audit areas by IAD. The selected firm would be required to conduct a risk assessment for all auditable areas during the first year and conduct a review of the risk assessment for the ensuing two years. If the selected audit firm proposes to amend the risk of any of the audit areas,

they should submit detailed documents to IAD for such modifications along with the audit plan. However, the authority for approving such modifications will rest with the Chief General Manager (IA II).

- b. Audit coverage would be based on the risk assessment and the total cost of audit would be dependent on the number of auditable areas to be covered.
- c. All High / Medium / Low risk areas would be covered at quarterly / half-yearly/ yearly intervals respectively or on yearly basis, as applicable for the foreign office. **(Please refer Annexure B Scope Summary)**
- d. Work papers of risk assessment and internal audits conducted to be shared with IAD.

7. The process to be followed for selection of audit firms is detailed below:

- a. We are inviting the detailed proposals and financial quotes (blended hourly rate) from different audit firms operating in Belgium and forward the proposals to **Internal Audit Department (IAD), SBI Head office, India** for evaluation / due diligence.
- b. Initial Evaluation of the proposals will be done by IAD based on parameters listed in para no.5 of this document. The audit firms scoring above the minimum cut-off will be shortlisted for further due diligence by a **screening committee** comprising of DMD(IA) and CGM(IA-II) / other senior executives of IAD.
- c. The shortlisted firms will be required to make a presentation to the screening committee. The firm with the **highest combined score** will be engaged as Internal Auditor for a period of 3 years, subject to annual review of their performance.

8. The financial quotes are to be submitted after considering all the requirements mentioned above.

Please arrange to submit your proposal/offer/rates latest by **17th April 2023** via email **in a password protected pdf file** to mgrsys.antwerp@sbi.co.in & ceo.antwerp@sbi.co.in.

Please contact following official for any query /details:

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