

### **Concurrent Audit Scope:**

<b>1</b>	<b>Cash</b>
(i)	Daily cash transactions with particular reference to any abnormal receipts and payments.
(ii)	Proper accounting of inward and outward cash remittances.
(iii)	Proper accounting of currency chest transactions (if any), its prompt reporting to RBI.
(iv)	Expenses incurred by cash payment involving sizeable amount.
(v)	Verification of Cash and cash management
(vi)	Checking of Cash balance register and other cash related registers maintained at branch
(vii)	Soiled notes sorting according to RBI Guidelines
(viii)	Verification of ATM Cash and it's management
<b>2</b>	<b>Investments</b>
(i)	For purchase and sale of securities, the department has acted within its delegated power having regard to its Head Office instructions.
(ii)	The securities held in the books of the bank are physically held by it.
(iii)	The bank is complying with the RBI/Head Office/Board guidelines regarding BRs, SGL forms, delivery of scrips, documentation and accounting
(iv)	The sale or purchase transactions are done at rates beneficial to the bank.
(v)	Verification of each and every transaction as well as Investment portfolio on Quarterly basis and reporting and issuing the Investment Certificate regarding same to RBI. Quarterly two certificates i.e., one for investment holding certificate and another for Investment position on MTM basis to RBI.
<b>3</b>	<b>Deposits</b>
(i)	Check the transactions about deposits received and repaid.
(ii)	Percentage check of interest paid on deposits may be made, including calculation of interest on large deposits.

(iii)	Check new accounts opened. Operations in new Current/SB accounts may be verified in the initial period itself to see whether there are any unusual operations.
(iv)	Examine whether the formalities connected with the opening of new accounts have been followed as per RBI KYC guidelines.
(v)	Check if the multiple UCIC are created against the same PAN
(vi)	Verification of Daily Deposit Accounts and it's opening and closing related documents
(vii)	Checking whether the bank is following RBI guideline for transferring accounts to/from DEA Fund
<b>4</b>	<b>Advances</b>
(i)	Ensure that loans and advances have been sanctioned properly (i.e. after due scrutiny and at the appropriate level).
(ii)	Verify whether the sanctions are in accordance with delegated authority.
(iii)	Ensure that securities and documents have been received and properly charged/registered.
(iv)	Ensure that post disbursement, supervision and follow-up is proper, such as receipt of stock statement, instalments, renewal of limits, etc.
(v)	Verify whether there is any mis-utilisation of the loans and advances and whether there are instances indicative of diversion of funds.
(vi)	Check whether the letters of credit issued by the branch are within the delegated power and ensure that they are for genuine trade transactions.
(vii)	Check the bank guarantees issued, whether they have been properly worded and recorded in the register of the bank. Whether they have been promptly renewed on the due dates.
(viii)	Whether all advance application, bond, lending register, end use register, renewal loan application and documentation have been made as per the resolution of the Board.
(ix)	Verify whether the classification of advances has been done as per RBI guidelines.
(x)	Verify insurance policy in the loans wherever applicable.
(xi)	Verify that instances of exceeding delegated powers have been promptly reported to Controlling/Head Office/Board by the branch and have been got confirmed or ratified at the required level.

(xii)	Verify the frequency and genuineness of such exercise of authority beyond the delegated powers by the concerned officials.
(xiii)	Verify reporting done from HO level regarding Priority / Weaker / Minority advances.
(xiv)	Verification of NPA/Overdue/Fresh Slippage and its provisioning
(xv)	Verification of decreed and arbitration accounts and the legal procedure in that regard
(xvi)	Checking of Stock Statements and Drawing Power Register
(xvii)	Checking of TOD/Excess allowed by the branch or HO
(xviii)	Checking if the bank has given any Loan to Directors or not and reporting the same under preview of RBI guidelines.
(xix)	Checking the files of equitable mortgage
<b>5</b>	<b>Housekeeping</b>
(i)	Ensure that the maintenance and balancing of accounts, Ledgers and registers including clean cash and general ledger is proper.
(ii)	Ensure prompt reconciliation of entries outstanding in the inter-branch and inter-bank accounts, Suspense Accounts, Sundry Deposits Account, Drafts Accounts, etc. Ensure early adjustment of large value entries.
(iii)	Carryout a percentage check of calculations of interest, discount, commission and exchange.
(iv)	Check whether debits in income account have been permitted by the competent authorities.
(v)	Check the transactions of staff accounts.
(vi)	In case of difference in clearing, there is a tendency to book it in an intermediary suspense account instead of locating the difference. Examine the day book to verify as to how the differences in clearing have been adjusted. Such instances should be reported to Head Office/Board of Directors in case the difference persists.
(vii)	Detection and prevention of revenue leakages through close examination of income and expenditure accounts/transactions.
(viii)	Check cheques returned/bills returned register and look into reasons for return of those instruments.

(ix)	Checking of inward and outward remittances (DDs. MTs and TTs).
(x)	Verification of Alarm, CCTV systems, fire extinguishers/smoke detectors and security forms
(xi)	Checking whether the registers such as Stamp in Stock, Stationery, Token, Cheque book issue, Cheque return, Suspense, Key, Reconciliation, Locker attendance, <b>etc.</b> are maintained properly at the branch
(xii)	Gold Jewellery bag verification and securities verification at the branch.
<b>6</b>	<b>Other Items</b>
(i)	Ensure that the branch gives proper compliance to the internal inspection/audit reports.
(ii)	Ensure that customer complaints are dealt with promptly.
(iii)	Verification of statements, HO returns, statutory returns.
(iv)	Verification of IS Audit Reports, BCP and cyber security aspects
(v)	Verification of arrears of rent in Lockers, Locker opening forms and proper compliance of the bank and RBI guidelines
(vi)	Verification of Off-balance sheet items
(vii)	Issuing various certificates to the RBI / HDFC Bank / any other requirement of the bank for issuing certificate (at least 4 certificate per month or more)
(viii)	Online 24 x 7 consultancy services need by the bank in various areas relating to Taxation, NPA guidelines, inclusion of new guidelines in any area by RBI, Registrar of Co-operative societies, queries relating to the general operation of the bank.
(ix)	Attending the meeting held by the General Manager/Board of Directors/Internal Audit Committee etc. for improvement of the bank.
(x)	Verification of rectification of the queries pointed out in the concurrent audit report and reporting Persisting Irregularities
(xi)	Issuing special report in times of need if for any reason our firm is of the opinion that there is suspected fraud in some account.
(xii)	Issuing certificate to the RBI with respect to the queries pointed out in RBI inspection report after due verification of the queries.
(xiii)	Verification of NDTL and ALM Registers

(xiv)	CTR and STR Verification
(xv)	Checking of the Vehicle Log Book
(xvi)	Reconciliation of Sundry accounts and internal accounts
(xvii)	Surprise check in all branches and various departments in head office
(xviii)	Voucher Checking

**NOTE:**

**Any other areas may be added as and when required by the bank or on the base of your experience.  
The above list is not exhaustive of items to be taken care of.**