

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

To,
The Chief General Manager,
Audit & Inspection Department,
Union Bank of India,
5-9-11, Dr. Pattabhi Bhavan,
Secretariat Road, Saifabad,
Hyderabad-500004.

*To be sent to the respective
Zonal Audit Office **only.***

Dear Sir,

Sub : **Concurrent Audit of your**
_____ **Branch**

With reference to your letter No.A&ID:_____ 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)Undertaking letter 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)

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 Chief General Manager,
Union Bank of India,
Audit & Inspection Department,
5-9-11, Dr. Pattabhi Bhavan,
Secretariat Road, Saifabad,
Hyderabad-500004.

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Subject : Due Diligence of our employees

Dear Sirs,

We, M/s. _____ have been entrusted with Concurrent Audit assignment of _____ Branch 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 :

ANNEXURE-C

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

To,
The Chief General Manager,
Audit & Inspection Department,
Union Bank of India,
5-9-11, Dr. Pattabhi Bhavan,
Secretariat Road, Saifabad,
Hyderabad-500004.

*To be sent to the respective
Zonal Audit Office **only.***

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) We also confirm that we are full time practicing chartered accountants and are not employed elsewhere and do not have any other business interest.
- vi) We undertake not to subcontract the audit work assigned to us to any outsider.
- vii) We do/will not have any professional or commercial relationship with the borrowers of the branch/Department which we are auditing.
- viii) We also confirm that we will not give room for disqualification during the course of audit for any of the reasons mentioned above.
- ix) 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
- x) The firm has necessary office set up & adequate personnel to ensure proper deployment and timely completion of assignments.
- xi) We further confirm that as on date, we do not have any Concurrent Audit assignment/Statutory audit or any other audit assignment from Union Bank of India, nor are under cooling period for Concurrent Audit assignment with Union Bank of India.

Yours faithfully,

Place:
Date:

For and on behalf of,
M/s. _____
Partner
(Name of partner with firm's seal)

To be submitted on firm's letter head

To,
The Chief General Manager,
Audit & Inspection Department,
Union Bank Of India,
5-9-11, Dr. Pattabhi Bhavan,
Secretariat Road, Saifabad,
Hyderabad-500004.

*To be sent to the respective
Zonal Audit Office **only.***

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 head of Regional Audit Office / Zonal Audit Office level if required, may be made. Besides, discussion if required with CGM (A&ID) 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 unfavorable 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.

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 would issue the necessary orders to their employees if he accepts inspector's suggestions and recommendations.
4. Auditor should not delay the submission of audit report or else penalty will be levied for delayed submission.
5. Auditor should not discuss sensitive matters of the auditee with others.

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 Union Bank of India and which properly relate to the office of position in the said Union Bank of India 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 Union Bank of India or the affairs of any person having any dealing with Union Bank of India, nor will we allow any such person to inspect or have access to any books or documents belonging to or in the possession of Union Bank of India and relating to the business of Union Bank of India or to the business of any person having any dealing with Union Bank of India.

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:

ANNEXURE G

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: